Daily Report

Latin America

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Cuba

Alarcon: Multiparty System Possible 'Some Day'

PA2208175693 Madrid EFE in Spanish 1539 GMT 22 Aug 93

[Text] Montevideo, 22 Aug (EFE)—Ricardo Alarcon, president of the National Assembly of the People's Government [ANPP], has acknowledged in Montevideo that "some day," when the threat of those wanting to destroy Cuba disappears, the nation will have a multiparty system "because nobody says revolutionaries must remain in just one party."

In remarks published Sunday, 22 August, by LA REPUBLICA newspaper, Alarcon noted he has nothing against Latin America's multipartisan systems, adding, "instead, I believe they constitute an important step forward that must not be wasted." On Saturday, the ANPP leader attended the meeting of the Latin American Parliament (Parlatino) where the Cuban situation was discussed, a special commission to follow-up the situation was created, and the U.S. embargo against the island was condemned.

Alarcon indicated, however, that this model cannot be transferred or imposed because "the topic of freedom in the electoral system is highly controversial," after defending elections in Cuba, which are not based on financial resources and lack professional politicians. He also admitted there are broad sectors opposed to the economic measures recently implemented in Cuba, because they are things "neither Che Guevara nor many comrades, including myself, would have accepted in the 1960's."

He explained there is unanimity among Cuban political leaders and a broad national consensus, although some sectors "are not happy" with the rectification of the course "that may be regarded as part of the permanent process to improve socialism."

According to Alarcon, in Cuba "many people believe we ought not have foreign investment or grant certain concessions. Nevertheless, the broadest consensus is that under the current circumstances the most important thing is to save the revolution and the country. If we do not save the country, there will be no socialism."

"Revolutionaries, those who fought Batista and are aware of their history and the price of division, have made a decision—something to which we are entitled and also have an obligation—to create a single political organization not to elect councilmen or deputies, because the people elect them, but to organize and guide the actions of the people in defending their independence and revolution," he stated.

Alarcon defended himself from attacks by opponents, chiefly those living in Miami, who came to pressure the Parlatino members to create a follow-up commission and to tell him he was not a representative of the Cuban people because he comes from a single party regime.

"I represent the immense majority of my electorate, those from District 2 in Plaza de la Revolucion Municipality. Moreover, since September, I myself, like the rest of the deputies, have to meet with my electorate, those who voted for me, as well as those who did not, to report to them on what we have done in a country that is suffering from the worst conditions of its history," he stressed.

He also dismissed the Cuban Democratic Platform and its members because "they travel first class and stay in five-star hotels all over the world all the time." Alarcon questioned where the money comes from, and he said it does not come from Cuban exiles in Florida but, rather, "from a U.S. Government payroll."

"They do not even represent the true Cuban exiles. One of the men for decades has made his political career by defending the embargo against Cuba. Now, however, some are using more moderate language because it is part of a strategy to isolate the revolution," he added.

The ANNP president said he will not meet with any Cuban Democratic Platform representatives, because "I have a very busy schedule and many important people I want to see, and my conscience would feel uneasy about wasting even a minute in nonsense or meetings with people who do not justify it."

Castro Returns to Fasters; Robaina Spends Night

FL2008134593 Havana Radio Rebelde Network in Spanish 0900 GMT 20 Aug 93

[Report by Jose Mejias and Joaquin Milanes]

[Text] [Milanes] Here at Radio Rebelde studios we have one of the anchors of the "Exclusive" program, our colleague Jose Mejias, whom we welcome of course.

[Mejias] Good morning. I want to tell you that I spent the whole night with the 64 fasters participating in the fast along with comrades from the Foreign Ministry and Foreign Minister Roberto Robaina Gonzalez, who is still there.

At approximately 0100, Commander in Chief Fidel Castro, first secretary of the Communist Party of Cuba and president of the Councils of State and Ministers, once again visited the 64 fasters and talked for awhile with Reverend Raul Suarez. Fidel had already visited them at approximately 1850 in front of the U.S. Interests Section, talking with them for awhile. I repeat, at approximately 0100, Fidel returned to inquire about their health and needs, and to provide information on the Laredo strikers. Fidel was besieged by the foreign and domestic press for whom he made some statements, in addition to talking with the 64 fasters. Robaina remained behind after Fidel's departure and is still there.

He gave the foreign and domestic press what amounts to a news conference. In a few minutes we can continue talking about this issue.

[Milanes] It would be very good to expound on this issue because in addition to the 64 fasters, it is good to add that like you, there is a large group of Cubans who have also been participating and supporting the fasters who remain in front of the U.S. Interests Section in solidarity with the brothers in Laredo.

Another Late Night Visit

FL2108112093 Havana Radio Rebelde Network in Spanish 0900 GMT 21 Aug 93

[Text] Late into the night [21 August], Commander in Chief Fidel Castro visited the group of believers and lay people who were holding a continuous fast and prayer vigil in front of the U.S. Interests Section in Havana. During conversations, Castro inquired about the health of the pastors who conducted a hunger strike inside the bus detained in Laredo. Castro also pointed out that the attitude maintained by the pastors in Laredo and Cuba was a symbol of contemporary Christian ethics. Toward the end of the meeting, Castro talked with the pastors regarding organizational details on the arrival of the rest of the members of the Caravan for Peace.

'Important Victory' Declared

FL2108020593 Havana Tele Rebelde Network in Spanish 0040 GMT 21 Aug 93

[Communique from the Rev. Raul Suarez, in front of the U.S. Interests Section in Havana on 20 August—recorded]

[Text] Reason has triumphed, intolerance has lost. The Pastors for Peace, the United States, and Cuba have achieved an important victory over outrage, hatred, and intolerance. The actions in Laredo, Texas, and in Havana City were not acts of political propaganda, because the deliberate economic strangulation of the Cuban people is not a policy. It has been a long process of injustice and illegality and inhumanity. It is not moral and it is against Christianity.

Those in Cuba and Laredo who helped each other defy arrogance did so above political understandings. What kept and keeps us united is the Christian and ecumenical principle of love and solidarity. Even during a war, there are ethical rules that impose moral limits on the contenders. The economic blockade imposed on Cuba for over 30 years is an illegitimate instrument in the conflict between the United States and our people.

Love overcame hatred. Prudence overcame irrationality. The people of the United States have won an important victory over those who try to hold its government captive in an obsolete policy contrary to the Christian spirit and ethic. The people of Cuba won when they rose up in the midst of shortages and daily burdens to reaffirm their most esteemed spiritual values of love and solidarity. The unity among us all and the firm decision of resistance in favor of life has been strengthened. Our faith has not fallen and we maintain hope.

On this day, the Cuban people with decor and serenity cleared the way for dialogue and reconciliation. We wish the governments of the United States and Cuba to continue advancing immediately with new steps in this direction. This is the demand of the people. Our Pastors for Peace and their friends in the yellow school bus can feel proud and satisfied of having fulfilled their prophetic ministry before God and before international public opinion. Their unbending spirit, their Christian conviction, and their love for life made this victory possible without losers.

We rejoice in having been able to fulfill the evangelical point of view that no man has greater love than to lay down his own life for his friends, before the alter of God and of solidarity, in front of the U.S. Interests Section in Cuba.

The Dr. Martin Luther King Jr. Memorial Center and the Executive Committee of the Ecumenical Council of Cuba. Praise and glory to God.

Castro La Paz ATB Network Interview

FL2108135493 Havana Cuba Vision Network in Spanish 0033 GMT 17 Aug 93

[Interview with Fidel Castro Ruz, president of the Cuban Councils of State and Ministers, by an unidentified reporter from La Paz ATB National Network at the Plaza Hotel in La Paz, Bolivia; date not given—recorded]

[Text] [Reporter] A very good evening to the friends of the ATB National Network all over the country. I am not going to waste time in introductions, because none are needed. I am simply going to tell you that in my many years as a newsman, this is the most important interview I have done, the one that gives me greatest pride as a newsman. My guest tonight, happily, needs no introduction, except to say: Good evening, Commander Fidel Castro.

[Castro] Good evening. Thank you very much for your words.

[Reporter] On the contrary, it is a great pleasure for me to see you again after five or six months. It is very pleasant to have you here in Bolivia.

[Castro] Thank you very much.

[Reporter] If you had to make a more emotional than statistical summary of your visit to Bolivia, what (?would you say)?

[Castro] Actually, almost everything has been emotional, the entire time. I have received unforgettable impressions. I was very interested in meeting the Bolivians, and

after meeting them directly, and getting to know them, my affection and admiration for the Bolivian people has multiplied.

I have felt extraordinarily happy. I could say I was extrordinarily honored by this opportunity to visit Bolivia. I knew of Bolivia through its history. It has one of the best and most beautiful histories in this hemisphere.

[Reporter] That is so.

[Castro] It is moreover, a fighting country, a brave, long-suffering country, with very special human and geographic characteristics which make it, in my opinion, one of the most interesting countries in the hemisphere.

[Reporter] Tell me something, Commander. Before coming to Bolivia, did you imagine that your presence here would be the overwhelming success [apoteosis] it has been?

[Castro] I had no reason to imagine that. It would have been a kind of conceit on my part to have thought that. I was certain that I would be received with hospitality, amiability, and affection, but I could not have imagined this explosion of warmth that I have received during these days.

[Reporter] It is extraordinary. At what moment did you feel most moved?

[Castro] There were many. From the moment that I set foot on Bolivian soil, when I came here to the hotel and found a huge crowd pressing hard to get closer. I was sorry about the effort the authorities had to make to hold them back. Later, I went up to the 10th floor, where I was lodged. I was sorry that there were so many thousands of people there and that I was unable to talk to them. I wanted to look out a window on that floor, but I could not see anything. Someone had the idea of going down to the first floor. A member of the hotel staff made the suggestion, because there was an office on the first floor and one of its windows could be opened. I was able to lean out there and greet those people from less distance.

Of course, my situation was rather embarrassing, because there was no microphone. There was no way to even say: good morning. It was an emotional situation, but also a tense one because what could I do? The voices of the people were loudly heard. One could not distinguish a word. You know that we live in the era of microphones and loudspeakers. Today, no gathering of 500 or 1,000 people can take place without a loudspeaker. I did not know what to do, and I did not imagine that my voice would carry. Moreover, I felt somewhat hoarse because of the cold, the amount of oxygen, the altitude, everything.

Then, a kind of miracle occurred. In a moment, everyone became totally silent. They did this without having anyone arrange it. Thus, I was able to say a few words to them. It was not a speech. They were isolated phrases.

[Reporter] While you drank some coca tea.

[Castro] Yes, after the first phrases, someone approached me and suggested that I drink some coca tea, because it was good and would help me. I discovered that that was what the people gathered there wanted.

[Reporter] Absolutely.

[Castro] They began to shout: Coca is not cocaine. I discovered that there is very strong opposition to the proposal that cultivation of this plant be banned. It has been used for milleniums.

[Reporter] We restore its cultural value, above all.

[Castro] It has been used for milleniums. In my opinion, that would be like telling the British or the Chinese to stop drinking tea, or like telling the North Americans to stop drinking coffee. It would be unfair, because the Bolivian people are absolutely in no way to blame for the existence of cocaine. It is not a Bolivian invention. It is the invention of the developed consumer societies.

[Reporter] Yes, indeed.

[Castro] Therefore, it seems to me that it would be cruel to try to violate a custom in this way. That is why I found this strong sentiment everywhere I went. With great pleasure, I supported the Bolivians in this defense of something that is more than just a tea. I have the impression that it is like medicine.

[Reporter] Yes, it has those (?properties).

[Castro] Because of the effect of this altitude, it reportedly also helps the people by giving them more stamina....

[Reporter, interrupting] It has extraordinary value far beyond that use that has caused the coca leaf to be humiliated [as heard] by being converted into cocaine.

[Castro] Bolivia and the Bolivian people are being blamed for the vices of other societies that have nothing to do with Bolivia.

[Reporter] That is so. Commander, I have noted that these days, our people have been spontaneously coining phrases and slogans, such as: Fidel, our brother, you are now a Bolivian.

[Castro] I have heard so many things—not just phrases spoken in public, but also things said to me in private—that I could write a book on the marvelous, beautiful things that I have heard. When you asked me about my emotions, I did not mention one perhaps basic one. It is that I was impressed with the Bolivian people for a number of qualities, including the phenomenon that I told you about— when they spontanously fell silent. Then in a short time, they would do it again; how in tune they were with the person with whom they wanted to speak.

They are an extraordinarily courteous, noble, generous, and intelligent people. I have seen evidence of this everywhere I went. They are also creative, imaginative. In addition, they voiced intelligent slogans, very intelligent slogans.

[Reporter] They coined them on the spot.

[Castro] They coined them on the spot and I was very moved by the things they said. I felt extraordinarily honored. Fidel, our brother, you are now a Bolivian. If one wanted to make a person happy, one would create precisely that phrase, so kind, so affectionate, so fraternal. Many other phrases were spoken against the blockade: Cuba is not alone. I believe that since they remained there the entire day, they had a message for each one of the delegations: Help Cuba; No to the Blockade.

They also had great discipline. I realized that when I explained that I had to leave, that other delegations had to come to the hotel. They left in a very orderly manner.

[Reporter] In a very disciplined manner.

[Castro] I have rarely seen such a phenomenon. On other occasions, when there has been an enthusiastic crowd, if one part of the crowd becomes silent, the other continues talking. Sometimes everyone falls silent, but one person continues speaking.

[Reporter] And the others chime in.

[Castro] One could hear the buzzing of a fly. I was powerfully impressed by this. I have continued to think a lot about the Bolivians, and their characteristics and the factors that have created those characteristics. I believe that Bolivians are dedicated, long-suffering, and heroic. I believe that the mere fact of living and working on the high plateau is heroism. To climb the mountains and confront nature as the Bolivians do is heroic. That is why they have developed the characteristics of being tough and hardworking. Note that the conquistadors did not bring Africans here to work as they did in the tropics.

[Reporter] They brought a few, not many.

[Castro] A few. The exploitation of the mines and of the natural resources were carried out for hundreds of years by the Bolivians.

[Reporter] The Bolivians themselves. That is true.

[Castro] And this is hard work. I carry away a truly extraordinary vision of the Bolivian people, in every respect.

[Reporter] I am very glad this is so, Commander.

[Castro] Since that is the basic factor of a people, the human factor, I believe it is a privilege for the Bolivian nation.

[Reporter] Thank you, Commander. You had many meetings, but among them, one with the new president of the Republic, Gonzalo Sanchez de Lozada, a few hours after he was inaugurated. What can you tell us about your conversation with Gonny?

[Castro] [chuckles] He was kind enough to invite me to his home, where I spent over two hours. You understand that I have to greatly appreciate this gesture. We discussed the most varied topics. He is a very amiable person with exceptional good humor. This is evident in his conversation. He is also very serious. We discussed various topics: Cuba, Bolivia, our ideas, his ideas, cooperation in certain areas. He was interested in everything and demonstrated knowledge and modesty.

[Reporter] That is a rare attitude.

[Castro] I was impressed by the fact that he is such a modest man. He asked for my opinion and I, of course, only give my opinion on something when I am asked. He asked a lot of questions about Cuba, its international situation, its difficulties. He made some suggestions and we talked about many other topics, such as cooperation in certain areas in which we have experience or in areas in which Bolivia is experienced. He was friendly; he showed independent thinking, political independence in his words and conversation. He is an educated man, an intelligent man.

[Reporter] Yes, he is well educated.

[Castro] In addition, I was also interested in some personal aspects. I asked him where the presidential residence was located, as he has to move within a certain period of time. This means the sacrifice of having to leave the house where he is used to living.

[Reporter] That is so. Commander, one thing....

[Castro, interrupting] And I really liked him. He seemed to me a man concerned with the country's problems.

[Reporter] You were very much in tune.

[Castro] And desirous of resolving those problems and of working seriously to resolve those problems. That was my impression.

[Reporter] That was your impression. Does this mean we can expect the relations between our two countries and peoples to continue at the same high level as at present?

[Castro] I think they will indeed continue to progress and be maintained, and we should even think of raising the level.

[Reporter] I think that is an absolutely mutual aspiration.

[Castro] Thank you very much.

[Reporter] Afterward, you were at the university, which was another moment that we could describe as stellar.

[Castro] At the city hall.

[Reporter] Yes, first, at city hall, our mayor's office.

[Castro] At the mayor's office, yes. They gave me a diploma as an illustrious guest. It was a very warm, very interesting ceremony. A little serious. At the mayor's office, the president of the city council and the mayor spoke. The vice president of Costa Rica also spoke. He was also receiving his illustrious-guest title. We received gifts. It was interesting, because the speeches had substance. It was not a merely formal ceremony.

Both the president of the council and the mayor spoke eloquently. I also tried to speak a few words that would transmit some ideas and that would have some substance. Thus, the ceremony was not just protocolary.

[Reporter] No, no, no. It surpassed the protocolary by far.

[Castro] We entered into important topics of today's world and Latin America, and I had the opportunity to express my impressions of the people, my appreciation and my recognition of the solidarity, warmth, and friendship.

[Reporter] And then, an honorary doctorate from the university.

[Castro] Then there was the ceremony at the university. I have not had any easy ceremonies; all the ceremonies have been complex. At the university, the room was small; not everyone could fit. There was a large number of people outside.

[Reporter] A great number of people were outside.

[Castro] There was a loudspeaker, and the ceremony to confer the decree was not merely formal, either. Beautiful words were spoken by different people, various professors. Some five or six people spoke. [Words indistinct] Bolivians who express themselves very well and are eloquent. They obliged me to make an effort also. For all these occasions, one cannot have a prepared speech, because you do not know what the others will say.

[Reporter] So you do not know what you will respond.

[Castro] One practically has to improvise the speech, your response starting from some basic ideas.

I was also very moved. I was thinking of the university's history, so much so that when I began to speak, I said San Marcos University.

[Reporter] Anyone could have made such a slip.

[Castro] And they forgave me.

[Reporter] Of course they did.

[Castro] It makes a joke, right, because although I had a slip of the tongue, at least I knew where I was and who was bestowing the degree. It was very nice. I felt obliged to broach certain topics related to Latin America, some international topics and also topics about Cuba, its present, its future, its (?position) in the world, and the fact that we are experiencing one of the most difficult times in man's history.

[Reporter] Undoubtedly.

[Castro] I also spoke of my impressions of Bolivia, and my impressions of the honor of receiving a degree from that university which reminds me so much of the University of Havana. They have similar histories. [Words indistinct] and I overextended myself. I did speak too long. Those were not just phrases. I had to give reasons, explanations.

[Reporter] An academic speech.

[Castro] Yes. Then, I spoke for almost 90 minutes. The worst thing is that I did not apologize on leaving. I forgot to apologize.

[Reporter] For having spoken too long?

[Castro] For having spoken too long.

[Reporter] They were all happy to have listened to you.

[Castro] Was the university ceremony carried on television?

[Reporter] All the ceremonies were carried on television. Absolutely all of them. You said a few minutes ago, Commander, that you were familiar with Bolivia before coming here, through its history. One of the main events in our modern history, in the 20th Century, and basically in the second half of the 20th Century, was the revolution of 9 April, 1952. Strangely, it almost coincided in time with an event that is also primary in Cuba's history, because it is a black period: the coup of 10 March, 1952, which brought Batista to power. I would like to know if the Bolivian revolution in 1952 had any kind of influence on the generation that you were already leading and that seven years later took power through the Revolution.

[Castro] Indeed, it had considerable influence. The Batista coup took place on 10 March, and on 9 April we began to receive news of the revolution in Bolivia. Our people, who were in a state of desperation, bitterness, and great frustration over the Batista coup on the eve of elections—it was just a week before the general elections were scheduled—received that news like a balm, as great encouragement. It influenced all the people, although the people were already determined to fight against Batista. The news from Bolivia filled the people with hope that their struggle might be victorious. There even emerged organizations in the university and other sectors carrying the names of the Bolivian organizations.

[Reporter] There was an MNR, right?

[Castro] Yes, it was MNR, was it not?

[Reporter and Castro in unison] Nationalist Revolutionary Movement.

[Reporter] Was that the name in Cuba?

[Castro] They gave it the same name.

[Reporter] Yes, yes, yes.

[Castro] A professor named Garcia Barcenas, of great prestige among the students, gathered a group of students and sympathizers nationwide and organized the MNR. They even attempted to take power. We had relations with them and had offered them support.

[Reporter] The 26 July movement?

[Castro] Yes, when they were going to take over Colombia.

[Reporter] The military citadel?

[Castro] The most important military citadel in the capital, where Batista had his residence. They had the support of some internal sectors. At that time, there were dozens of organizations in Cuba. Ours was actually the strongest. We had worked actively, although few people were aware of it. We already had hundreds, more than 1,000 men organized and trained.

[Reporter] You already had that many?

[Castro] Clandestinely and legally [as heard]. We were not acting clandestinely. We worked primarily with university students. Then the professor invited me to participate in that operation. Anyone who launched an idea of doing something against Batista won support rapidly.

We offered to cooperate, but I suggested something to him. I said: There is no need to talk with 20 organizations. If you talk with 20 organizations, everyone will know what you are doing. He talked with about 30 organizations. He invited all the organizations that existed. Many of those organizations consisted of 20, 30, or 10 men. In many of them, the members belonged to two or three organizations.

I said to him: Look, we have all the men, and they are prepared. Let us carry out the operation, but it will be just your group and mine, if we want to keep it truly secret, if we want it to be successful. However, in a few days, all over Havana, that was the most well-known conspiracy and military action in history. Everyone on every corner knew about it.

[Reporter] So it was doomed to failure.

[Castro] That was the last effort we made, our last attempt to carry out the Revolution in coordination with another organization. After that experience, we reached the conclusion that we should act with our own forces, and that is how we organized the Moncada operation. From that time on....[pauses] There were independent movements that waged a revolutionary struggle, but at the time, we alone had more men—young, serious, organized, and trained men—than all the other organizations combined.

[Reporter] It is my understanding that one of the members of the Cuban MNR was present, Culture Minister Armando Hart. Is that true?

[Castro] Armando Hart was a member of the Barcenas movement. Faustino....

[Reporter, interrupting] Faustino Perez.

[Castro] He died recently. He was a prominent leader. He was a member of the Barcenas group that was called the MNR.

[Reporter] Its exact name was the Nationalist Revolutionary Movement, just like here?

[Castro] Nationalist Revolutionary Movement. They copied the entire name.

[Reporter] Later they [words indistinct].

[Castro] I imagine the program also. After 26 July, we won over those people from the MNR. The best members of that organization joined us.

[Reporter] And that extraordinary movement was formed?

[Castro] Barcenas was in jail, because he had indeed gathered various groups around the city; everything was known about it; and he was arrested. He was mistreated a little bit, but that was all.

[Reporter] Not much.

[Castro] The professor was jailed. He was on the Isle of Youth. Some time later, we were also jailed. After the Moncada attack, they were there, but we were not imprisoned together. They kept us apart.

[Reporter] I see. They separated you.

[Castro] Yes.

[Reporter] Let us....

[Castro, interrupting] They did not want to contribute to a coalition of revolutionaries.

[Reporter] They wanted to prevent this. Commander, as you know, I had the privilege of being in Cuba for a little over three years as Bolivian ambassador, and on certain occasions, and here, I have had the privilege of seeing you deeply moved. I would like to ask a question that I hope will not be an invasion of privacy. I am asking it with the most absolute respect. Have you ever cried, Commander?

[Castro] As a child, I cried a lot like all children. As an adolescent, also. As a youth, some emotions produced tears. As for crying what you would call copious tears [llanto partido], [words indistinct] experience again, but I underwent very difficult times in my youth and as an adult, as when we lost beloved comrades, which logically brought us to tears. There were also occasions like the death of my father or my mother. I inevitably cried.

There are moments when I am deeply moved, and tears come to my eyes, but almost....

[Reporter, interrupting] What moves you to tears?

[Castro] Well, there have been things here that filled me with emotion. There were many Cubans crying here, let me tell you. Perhaps, as I was in the forefront there, I contained myself more, but my eyes grew damp. This happens to me. So, for my eyes to grow damp is something that happens with some frequency.

[Reporter] This shows the dimension of the human being.

[Castro] For a tear or two to fall occurs a little less frequently, but it could happen, and I would not be ashamed of crying.

[Reporter] Of course not.

[Reporter] We all have a complex about crying not being very masculine.

[Castro] I believe there are different forms of crying. Perhaps men cry more quietly, more secretly. Women are more expressive when it comes to crying.

[Reporter] They are more expressive.

[Castro] They are more expressive. I believe they are more sensitive.

[Reporter] That is probably it.

[Castro] That is my opinion. They are more sensitive. Men tend to hold back.

[Reporter] There is a principle of manhood that portends men should not cry. Crying could also be beneficial.

[Castro] I do not know. When I hold back tears it is not as an issue of manhood but perhaps as a matter of embarrassment. One gets embarrassed when others see one crying. It is a matter of embarrassment, not because manhood and crying are contrary.

[Reporter] We call it shame [verguenza]. Where Cubans use the word embarrassment [pena] we use shame [verguenza].

[Castro] It is more or less the same.

[Reporter] Commander, what I am trying to do is to give our people a closer look at the real human being within Commander Fidel Castro Ruz. If you would be so kind, I will call off various names so you can briefly tell me what you think of them or the first thing these names bring to your mind: Jaime Paz Zamora.

[Castro] I first met Jaime Paz Zamora in Nicaragua during the first anniversary of the triumph of the Nicaraguan revolution. He arrived there shortly after that accident. Right after surgery. I was impressed by his spirit of fight and tenacity; his willingness to fight, and of course our solidarity was with (Sile). I believe he had been together with (Sile). He had just gone into exile about that time.

[Reporter] A coup had taken place a few months earlier.

[Castro] The coup had taken place a few months earlier. We listened to him [words indistinct] solidarity. That was the first time I talked with him. That friendship continued throughout the years, through different contacts and visits to Cuba. I can say that his friendship has been steadfast, just as ours has been. I saw that he was determined to continue his political career and reach the presidency of Bolivia so as to conduct a policy [words indistinct] from there. I have never seen anyone so determined to occupy a post—I have said this before.

[Reporter] He has great firmness.

[Castro] I have never seen anyone as determined and convinced of his ultimate success.

[Reporter] And succeed he did.

[Castro] He did indeed. Afterwards, I have talked with him in several summits and talked at length with him on his last day of presidency, actually, the day prior to the change of power when he had the kindness of seeing me at the palace. He talked a lot about the country, showed me a map. I hope this is not an indiscretion. He showed me the different regions, the diversity of the land, geography, natural resources, projects for communications, investments made in general. It included efforts to improve roads and its high cost due to the topography of the land. He also mentioned certain discoveries of mineral deposits made and certain program and plans for agriculture. He talked about the migration from the cities to rural areas and agricultural programs in Veracruz. We talked about all this and other issues in a very pleasant atmosphere. It lasted a little over an hour, to the point that our schedule was thrown out of synch.

[Reporter] Another name, a man you have just met: Gonzalo Sanchez de Lozada.

[Castro] I already told you about his character. Did I not tell you about him already?

[Reporter] Yes.

[Castro] In Gonzalo I was able to see firmness, personality. He impressed me as a man with personality while he is also a man with a great sense of humor. I believe that can help him a lot in politics.

[Reporter] As a matter of fact it has already done so.

[Castro] A good sense of humor becomes a medicine. I also saw him as a family man, an affectionate and sincere, very sincere man. These were the traits I was able to observe in a very short time. He is courteous and hospitable. He granted me the honor of inviting me into his home and introduced me to his family—a very

pleasant family. He seems very happy with his grandchildren. That is also a medicine for the president and his work.

[Reporter] What about U.S. President Bill Clinton?

[Castro] Bill Clinton gives me the impression of wanting to [words indistinct]. He does not give the impression of being an aggressive, arrogant man. He gives me the impression of belonging to a different generation of Americans. He is occupying the presidency under very hard, difficult conditions. He has inherited an enormous budget deficit, a gigantic public debt within an economic crisis and in the need of fulfilling campaign promises. Curiously enough, now that neoliberalism is in, in the United States the neoliberalism of Reagan and Bush has suffered a defeat. The most humble sectors of the nation gave the victory to Clinton: the elderly, unemployed youth, women, black and Hispanic minorities, and the lower income sectors. In other words, they were the determinant factor in Clinton's triumph. He promised different sectors to fight against unemployment, take care of the health programs, fight the deterioration of the cities, and improve the situation of the elderly. This, while promising to lower the budget deficit and the public debt. There are too many things. It is practically impossible to cover all these things. He promised to not increase taxes for the lowest income sectors. I have been curious to find out how could all these problems be solved. Of course, I saw as positive the economic policies he was proposing because what Reagan and Bush did was to print more money. Since the Vietnam War, all the United States has been doing is to print more money without a tax base. The Vietnam War was conducted without taxes, the rearmament was conducted without taxes but by increasing the public debt which went from less than 1 trillion when Reagan was sworn-in to 4 trillion today. They cashed in on the future and it is now Clinton's turn to deal with part of that future with a population that apparently does not want to hear about taxes because it has become accustomed to doing everything without taxes. This makes his work, the efforts of his government much more complex. I was told today that the Senate also approved his program by one vote. His program was approved in the House by two votes and in the Senate by one vote, that of the vice president, I believe. It was a tie after having had to make many changes.

[Reporter] He had to make concessions.

[Castro] In other words, the program had to be significantly mutilated. No one truly knows what results it might yield. From the political point of view, the fact that it was passed is a victory for him because it seems to me that it would have significantly damaged his authority if it had not been approved. It is my opinion that it is not advantageous to have Clinton's popularity or authority drop because then other dangers might arise such as the trend to seek popularity on the basis of warring actions, military operations which benefited Reagan and Bush. We hope that Clinton will not be tempted to use violence and weapons and seek through military action the popularity which some of his predecessors attained. This is one concern. I believe it is not advantageous for anyone, including the U.S. people, who need a strong leader, and the world to see Clinton's popularity drop.

I am telling you this, expressing my thoughts. Some have joked that the only one who defends Clinton is me. I am not defending him. I am simply trying to do a objective analysis of a U.S. personality. I do not see in Clinton that arrogant man that Bush was, those prepotent men that Bush and Reagan were. I do not see that. I see a different character, a different type of person, and apparently most of the people around him belong to the same generation of Americans. This might turn out to be something positive.

[Reporter] Might it turn out to be positive in the framework of the complex, conflicting U.S.-Cuban relations?

[Castro] We could say that relations have not worsened with Clinton's government. We could say that there have been certain gestures such as for example when they did not put any obstacles to a visit by a number of scientists that had been invited by the WHO and PAHO to come to Cuba during the neuritis epidemic. Others wanted to come on their own and the U.S. authorities did not put forth any obstacles. Certain contacts are maintained regarding immigration. I say this because this is public knowledge. There are certain contacts to see how we can improve immigration problems, focus on migration problems. We also have certain relations with the Coast Guard Service, cooperation within certain limits. There have been some of these contacts and we have not observed any manifestation of a particular hostility. The blockade remains in place. During the electoral campaign Clinton supported the Torricelli Law which intensifies the blockade. Therefore, he is committed to some of these policies.

On the other hand, the Cuban issue is not a priority for their administration. They are more involved in the search for solutions to their domestic problems. Therefore, the issues of the blockade and Cuba are not a priority to this administration.

[Reporter] You are right. It is not.

[Castro] But we see a difference between this administration and the previous ones. The other ones were very influenced by the Cuban lobby.

[Reporter] You are right.

[Castro] They were influenced by the rich, powerful, and influential people within that community.

[Reporter] The Cuban American National Foundation.

[Castro] The famous Cuban American National Foundation which had close ties with Bush and supported Bush. Those people did not support Clinton.

[Reporter] No, they supported Bush.

[Castro] That state was lost, but Clinton won the elections in spite of having lost the State of Florida.

[Reporter] Commander, I continue with the names for your opinion. This one is very dear: Commander Ernesto Che Guevara.

[Castro] Well, Che was one of the most extraordinary persons I have ever met because of his character, talents, virtues, and for being an example in everything. He was a man that preached through his example. He was a man of audacious ideas, of great intellectual capacity, studious, hard working, and methodic. He truly was one of the most extraordinary people I have ever met.

[Reporter] Commander Ernesto Che Guevara was in Bolivia before going to Guatemala and later on to Mexico, where he met Fidel Castro. Did he ever talk about his brief stay in Bolivia back then?

[Castro] Yes, he toured just about the entire Latin America. He was even in the Amazon region. He spoke a lot of the Bolivian people. He would speak about Bolivians with great affection. He was one of the first people I heard talking about Bolivians. He would talk about the character of the Bolivian people. He had great appreciation for the Bolivian people. He toured the mines and many other places. He also toured Peru, Ecuador, and many other countries. He ended up in Guatemala back in the times of the Arbeni government.

[Reporter] Yes, the coup of 1954.

[Castro] He was there. I think he made two trips—one as a student and another one after he had graduated as a doctor. He even worked in a leper colony out in the Amazon. Later he was in Guatemala when Arbeni was in power and saw the process of the agrarian reform and the process of the overthrowing of Arbeni, an armed movement organized by the CIA, which was organized in Honduras. He was very overawed by all that. Later he had to leave and he went to Mexico. There, he worked in a hospital where he did some medical research. He liked to do research. That was where we met him. In little time, because of his characteristics, and his preparation and education he became friends of the Cubans. He was friends with everyone and everyone held him in great esteem. That is why they called him El Che, the way they would call all the Argentines. He was the only Argentine. Then he saw that we were organizing an expedition to Cuba to fight against Batista—obviously, in conditions of minimum resources. It was there, where he joined the expedition. I think it has been said that he joined in very little time. But there was one thing that he said. He asked for only one thing.

[Reporter] What was that?

[Castro] That when the revolution triumphed that he not be prohibited to go fight in Argentina, his country.

[Reporter] This was when you were still in Mexico?

[Castro] In Mexico. While in Mexico he said: I do not want that because of state reasons. Because of state interests, I am prohibited from doing that. That was the only thing he asked for. I told him: You can be rest assured that you will have all the freedom to act when our revolution ends. Just look at his optimism. Our expedition was just about to begin, if we could begin. We still had to arrive in Cuba, fight, triumph, so that we could fulfill that condition that he had placed of being free because he did not want to dedicate himself to political or government activities. He was thinking about Argentina. That was his main idea. He was promised that and that promise was kept. That is a long and interesting story. While in Mexico we were put in prison. That is where he, at the height of McCarthyism and the Cold War, believed it was a duty to declare himself a Marxist and a Leninist. Just imagine: to declare himself a Marxist and a Leninist under such conditions.

The police thought that they had discovered an international conspiracy and things got very complicated. But, that was his character. We were imprisoned in the same wing of a prison for immigrants. We stayed there several weeks. We played a lot of chess. He liked to play chess. He studied chess. We got to know each other well. The situation got complicated for him and for us as well because of his declaration before the judges and everyone else. With that he did not follow a good tactical line because he complicated everything and endangered everything but that was his character. That reflected his character. There, he engaged in arguments with the judges and the police on everything, even on Stalin's personality cult. Obviously, Che was on the orthodox line. At that time, there was a lot of criticism about Stalin. They would argue with him. Time passed but in the process he argued several times on that subject with the police. That was at the height of the Cold War and McCarthyism in the arena of international politics. That reflected his character.

[Reporter] It reflected his character. I am going to ask you the last name. You tell us what you think of yourself because the last name I have is Fidel Castro Ruz.

[Castro] That is a difficult question. Because first of all I am an eternal nonconformist when it comes to myself. I am a self-critic. I am self-critical of everything I do. I analyze it and consider if it is good, if it is correct. It would be very difficult for you to find me totally pleased. That is one of my characteristics. Another one of my characteristics is that I struggle toward a goal without thinking of myself. Not even in honors or glories. I do not think men should let themselves be driven by that. If I am going to give you two main traits, and in this case it is difficult because I am just about making my eulogy.

[Reporter] No, you are being very objective and honest.

[Castro] I think another attribute is my consistency. I am very consistent. These are not many, but these are my personality traits. It is very difficult for me to give up. I do not think that I have ever given up, except for a

moment at the Palace the day of the last reception. I was confined there at an altitude of 4,000 meters, not enough oxygen, too many people seeking a picture or a autograph. They had me corralled.

[Reporter] I remember you said: I feel like the Tower of Pisa.

[Castro] Yes, I was leaning over. I was loosing my footing. I said: I think that for the first time in my life I am going to do what I have never done: Give up.

[Reporter] But it did not happen.

[Castro] It did not but it was not a very honorable episode. This happened late on the first day. You know one has to first cross the lower level, then climb the stairs, and then walk those corridors and halls. It was difficult. I had to get back already. [Words indistinct] but there was a multitude on the lower level. The problem is not that I was trying to avoid the physical effort required but it is complex for the security people to make a path. There is always an arm that reaches over, people that push with their elbows. I suffer a lot when I see this kind of thing. This has always been my point. When I see that someone has been pushed I always ask for forgiveness. This is what worried me: to make it through there. I asked if there was not another exit. There was a construction stair. I was embarrassed. I insisted a lot that it was dishonorable to leave through that stair. I am willing to undergo the calamities of going through the lower level. I asked the advice of the [security] people here. I asked what I should do. [Words indistinct]. I got to greet 20, 30 of them in one of the halls. On one occasion I had to leave discreetly. I am ashamed of this.

[Reporter] There is no reason to feel ashamed. Commander, since we are already talking about Commander Fidel Castro: How do you evaluate your revolutionary work?

[Reporter] I already told you that I am an eternal nonconformist. If we had to do everything all over again, we would do the same thing we have already done but much better. There is no doubt that all the work of the Revolution could have been much better. This is why I evaluate my performance with a self-critical spirit.

[Reporter] A self-critical spirit aimed at improving the work of the Revolution ahead?

[Castro] A self-critical spirit aimed at having done it better in the past and, of course, improving it in the future, the future we might still have ahead.

It has already been 34 years. The years of revolutionary work are much more. I started at 18 years of age. I have 49 years of revolutionary work. We could add: without resting. I have worked from the beginning as a student. I was 26 when the Moncada Barracks attack took place. I was 32 when the Revolution triumphed. And in a few days, on the 13 [August], I will be 67 years old. I was almost going to celebrate it here but no, I have to leave here. I have been here too long. The problem I encountered is the long list of friends and people seeking to meet me. I would have needed three weeks. We asked ourselves: How can we reduce all this to two days? This is what we have done but I have stayed longer than planned. I should have been on my way home already. I believe I am already abusing the hospitality of the Bolivian people. For this, I truly ask your forgiveness.

[Reporter] No, the longer you stay the better it is for us. We like to have you among us.

[Castro] Thank you. I have duties over there that I cannot escape from. The work is hard here but things are more difficult over there. I have to go and fulfill my duties.

[Reporter] Regarding the difficult situation in Cuba: How do you imagine your Cuba in the year 2,000?

[Castro] That is very hard to answer. I think that we would have surpassed the special period, that there will have been some changes in the world, that there will be much more awareness in the masses of the nations, and that it has become much harder for the unipolar world, under the hegemony of the United States, to conduct its policy of domination.

I uphold the thesis that the world is ungovernable. The world can be governed by laws, norms, and united democratic nations but not by one hegemonic superpower in an unipolar world. This is my thesis. I am noticing that everyday there is more awareness regarding this. The world will think much about this during the next seven years on its way to the year 2,000. They will evaluate what is currently happening and will do so with a critical spirit. The progressive movement will continue to develop. The human conscience will continue to develop. One can see this in examples such as that of the Bolivian people which despite being thousands of miles away, the manipulation of information, and the calumnies and lies, is capable of reacting with so much solidarity and spirit of justice regarding Cuba. They oppose with great energy the cruel blockade the United States has us under.

[Reporter] Comrade Fidel Castro, I want to express in a special manner my gratitude for having agreed to this interview. I know that I have taken from you 60 minutes that could have been used differently to meet many other requests you are receiving.

[Castro] I could have not used my time better than with this interview and communicating with the Bolivian people. This gives me an opportunity to express my gratitude, admiration, love, and to ask forgiveness for whatever bother I might have been as well as expressing my deepest and eternal gratitude.

Haiti

UN, U.S. Mission Clarifies Assistance to Army

FL2008204593 Port-au-Prince Radio Metropole in French 1045 GMT 20 Aug 93

[Text] A mission of information regarding the future technical assistance by the United States and the United Nations to the Haitian Army and police includes a UN delegation and an American civilian mission, which have been in Port-au-Prince since 18 August. The UN delegation has two members, one from Brazil and one from France. The U.S. mission includes two diplomats. They should clarify the role of the international technical assistance within the framework of the professionalization of the Army and the creation of the new police force. The members of the U.S. and UN missions have already met with military authorities, Prime Minister-Designate Robert Malval, and the presidents of both chambers. During the meeting of the U.S. delegation with the Senate president, the question of the UN forces wearing side arms was raised. Senate President Firmin Jean-Louis explains:

[Begin recording] We talked about this very question of side arms. They told us that there are very few people who will wear arms, only those involved in training the police. So far, we do not know the exact number of those who will bear arms. However, what they told us somewhat eases our apprehensions and should ease the apprehensions of all those who believe that it is an invasion, an occupation by a foreign force.

We mostly insisted on the building of roads, barracks, roadbeds, and so on. Therefore, for the moment, what we were told seems rather reassuring and leaves us feeling optimistic. We will see whether people's apprehensions are groundless or not. We have just started discussions, which must continue soon. They said they would come back and that other delegations will also come. Then we will pursue the discussions. [end recording]

Pro-Aristide Partisans Granted Bail, Released

FL2008201693 Port-au-Prince Radio Metropole in French 1045 GMT 20 Aug 93

[Text] Father Yvon Massac was granted bail on 19 August after being imprisoned in the National Penitentiary for two days. He was accused of attacking a police assistant and stealing his strap. The other two political militants arrested with Father Massac for posting pictures of President Aristide were also granted bail. Antoine Izmery explains:

[Begin recording, in Creole] They granted bail to Father Massac but that does not mean that the charge that he attacked Jacob Charles, an undercover policeman and athlete who works for the Haitian Armed Forces, and stole his watch and bracelet, has been dropped—the trial is not over. Father Massac was simply granted bail so that he no longer sleeps in prison; but he must stay in the country to go to court if the man continues to push this accusation. However, I am sure that Jacob Charles must understand that a false accusation can bring a countercharge that can result in damages from him. The case is in the hands of the examining judge who can summon him, call other witnesses, and ask Father Massac to testify. Until then, the case is not closed.

KOMEVEB [Spreading of the Truth Solidarity Committee] has a plan of action, including posting pictures. We also have other plans that we will define publicly. I repeat: We are going to do nothing in hiding.

We are advising the entire national community about what we are going to do as Haitian citizens under the Constitution and always without violence. Our action will continue. [end recording]

'Compensatory Quotas' on U.S., Chinese Imports

PA2008144693 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 20 Aug 93

[From the "Early News" newscast]

[Text] On 19 August the Commerce Secretariat imposed compensatory quotas ranging between 3.74% to 484% on several U.S. and Chinese products which affect national industry. The measure affects such imports as sodium carbonate, polyester, short wool fiber, brass locks, candles, and figurines.

The resolution, which goes into effect on 20 August, was already published in the Gazette.

Salinas Rejects Incident at San Lazaro Legislature

PA2008163793 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 20 Aug 93

[From the "Early News" newscast]

[Text] On 19 August, during a tour of Sonora, President Carlos Salinas de Gortari reacted to the incident on 18 August at the San Lazaro Legislative Palace. He warned that respect for rights cannot be demanded with abusive conduct, adding that the incident at the legislature was inadmissible.

[Begin Salinas recording] No one in Mexico is above the law. It is the nation's right and duty to demand prompt and expeditious justice that is free of patents of impunity, exclusivism, privileges, or exceptions.

Ladies and gentlemen, democracy can only be built within a legal framework and through adherence to the law. Answers to the people's demands can only result from mutually respectful dialogue. No one should attempt through stubbornness to interrupt legislative dialogue and work in favor of democracy and citizen interests. Respect for one's rights cannot be demanded by violating rights.

Changes must be made through legal means and we must ensure that their implementation does not deform their intent but, instead, fully ensure adherence to our constitutional mandates and laws. Herein lies the best guarantee of our economic stability, our battle against poverty, the broadening of our freedoms, and our democratic maturation. [end recording]

Parties Oppose Reforms to Constitution

PA2008174593 Mexico City XEQ Canal 9 Television Network in Spanish 0200 GMT 19 Aug 93

[Report by Juan Sebastian Solis; from the "Plenty of News" newscast; live relay by Mexico city XHTV Television Network]

[Text] Representatives of four political parties expressed their opposition to reforms of Article 82 of the Constitution.

National representatives of the Labor Party [PT], Cardenist Front for National Reconstruction Party [PFCRN], Mexican Democratic Party [PDM], and Mexican Green Ecologist Party [PEM] held a news conference in Mexico City.

PFCRN Press Officer Hector Delgado, speaking for the four political parties said:

[Begin Delgado recording] We believe that election reforms now blooming will not receive much support. Much less will it be considered as democratic if it does not take into account the opinions of all the political parties, social organizations, civil societies, and, in general, the suggestions as well as proposals that for some time now have been made by various sectors. [end recording]

Representatives of the four parties agreed that discussions surrounding electoral reforms must be separated from trends to install bipartisanism or tripartisanism, and neither should it include any type of privilege. In this respect, the four parties expressed their opposition to reforming Article 82 of the Constitution.

[Being Delgado recording] Regardless of whether reforms are carried out now or in the year 2000, modifications of Article 82 would seem to suffer from the stigma of having consignees. [end recording]

Participants in the news conference included Natalia Escudero, PEM National Executive Commission secretary general; Marcelo Garciola, PDM National Executive Commission president; Francisco Gonzalez Gomez, PT National Political Commission member; and Alberto Carrillo Armenta, National Assembly PFCRN Block coordinator.

El Salvador

Cristiani Reacts to Weapons Report

PA2008121293 San Salvador Radio Cadena YSU in Spanish 1807 GMT 19 Aug 93

[Report by Maria Teresa Fajardo]

[Text] President Alfredo Cristiani has urged the FMLN [Farabundo Marti National Liberation Front] to find and surrender arms caches it still has in the country, because there is no doubt that this political party still has some weapons.

In his initial reaction to the final report by the UN Observers for El Salvador, ONUSAL, Cristiani admitted that the work done so far had been useful. However, the government continues to study other ways of discovering new weapons caches. It is imperative to call on the FMLN to fulfill its moral and political commitment, the president said at a news conference.

[Begin Cristiani recording] I think that this must be viewed as an additional effort to collect weapons. Next week we will submit to Congress the bill defining arms ownership and possession so that public security corps can begin implementing this law at the general level. In other words, in our belief there are still too many weapons that are not controlled, so we must continue to carry out efforts in this regard.

In addition, we are studying alternative means of expediting the location of weapons and of imposing controls on authorized weapons. I believe that the United Nations has made a great effort; we must recognize its work in preparing inventories and in destroying weapons turned in by the FMLN.

Concerning moral and political commitments, we would ask Mr. Shafik Handal: Just what group has really committed itself to the Salvadoran people, both morally and politically, on the issue of weapons surrender? Is it the FMLN or the Armed Forces? The FMLN as an armed group is illegal; they have not only the moral, ethical, and political responsibility to surrender all their weapons, but also to rejoin civilian life as a law-abiding group. In this regard, the Armed Forces don't have to be incorporated into anything. It is a permanent institution, part of the Salvadoran democratic system; it does not have a moral obligation to publicly expose its weapons.

In this regard, I believe Mr. Handal should make even more efforts to try to continue finding illicit weapons in the country. The Armed Forces' weapons are not illicit; they are legal as long as they are held by the Armed Forces, obviously. [end recording]

The head of state insisted that the FMLN and the Armed Forces cannot be compared when it comes to hidden weapons and those confiscated by the Armed Forces, as the FMLN is trying to do. Cristiani also noted that there is international interest in getting to the bottom of the Santa Rosa arsenal in Nicaragua and clarifying the connections of groups involved with international terrorism.

[Begin Cristiani recording] After the meetings, held in Nicaragua since 16 August, where Mexico, Venezuela, Spain, Nicaragua, and El Salvador were represented, the parties concluded that there is a need to conduct an in-depth investigation into not only the mere existence of an arsenal in Managua, but the relationship of this arsenal with international terrorism. In this regard, we have some indication as to what may have happened, but what we want is to get to the bottom of this.

It has been decided, subject to the approval of different participating countries and even the United States, to create an investigating commission comprised of all these countries to establish the terrorism connection. This group would be tasked with obtaining proof or evidence, which will later be reported to appropriate authorities, namely the judiciary branches of each of these countries. This will permit the appropriate authorities to take action if required. [end recording]

In the meantime, the president did not specify the number of men who remain armed in northern El Salvador. He added that they will be treated as common criminals, because they are there illegally. Regarding this case, the government is conducting investigations in the area, the results of which will be issued soon, the president concluded.

National Workers' Union Supports FMLN in Elections

PA2008133293 San Salvador Canal Doce Television in Spanish 1200 GMT 18 Aug 93

[Text] The National Union of Salvadoran Workers (UNTS) has announced its complete political support for the Farabundo Marti National Liberation Front, FMLN, in the March 1994 general elections.

[Begin recording] [Unidentified reporter] Accompanied by the labor organization's Political Committee, UNTS leader Marco Tulio Lima has said that the decision was made after concluding that the FMLN party represents the population's just aspirations, including those of the mini- and small-scale business sectors. This is the first time the labor organization, comprised of several unions, publicly acknowledged its political ties with the former rebels.

[Lima] Our decision to publicly support the FMLN's democratic political project is based on the following considerations: The FMLN represents the just aspirations of country and city workers as well as of professional associations from mini-, small-, and medium-scale businesses.

[Reporter] For Humberto Centeno, also of the UNTS' Executive Directorate, the political support for the FMLN will lead to the establishment of a social platform

that could be incorporated both to the government program and to a possible ruling pact that the Christian Democratic Party (PDC), Democratic Convergence (CD), and FMLN will build in the future.

[Centeno] It consists of the preparation of a workers' social platform to be incorporated into the government program and to the ruling pact the PDC, CD, and FMLN are forming. UNTS support also means that workers will participate decidedly in the municipalities' political tasks.

[Reporter] Finally, the workers voiced their satisfaction with the FMLN's recent decision to advocate the establishment of a democratic project free of weapons. [end recording]

Guatemala

* Finance Minister Responds to Congressional Inquiry

* Tax Evasion, Revenues

93CA0172A Guatemala City SIGLO VEINTIUNO in Spanish 7 Jul 93 p 4

[Article by Carmen Aida Ibarra]

[Text] Finance Minister Richard Aitkenhead repeated yesterday to the Congress his request for the creation of a legal instrument—together with the most severe penalties—that will make it possible to eliminate tax evasion or reduce its incidence, which in 1993 alone could exceed 545 million quetzals as a result of failure to pay taxes in the form of the VAT, the income tax [ISR], customs duties, and tax stamps.

The request was made during the first phase of his interpellation in the plenary session, when he disclosed the state of the public finances, the effects of the Tax Modernization program, the results in terms of revenue and tax collections, and also the budget allocations for the Ministry of Health—one of the most sensitive topics, because of the illiquidity of the hospital network.

During the interpellation—which had been requested by Deputy Juan Francisco Alfaro—the finance minister outlined the situation with respect to revenue and tax collections, including the increase recorded as a result of the 1992 tax reform. He said, however, that tax evasion is continuing, because of the lack of a legal instrument that would make it possible to severely punish failure to comply with tax obligations.

Aitkenhead did not seem eager to standardize tax crimes, and instead proposed amending the Tax Code to include in that legal document—which sets standards for the relations between the national treasury and the taxpayers—the corresponding penal, monetary, and administrative penalties.

In the case of the income tax, the finance minister believes that approximately 120 million quetzals will not be paid this year to satisfy the ISR obligation, because—given the fact that the ISR is related to the VAT—when a product or service is not invoiced to the final consumer, not only is the VAT evaded but the portion corresponding to the ISR as well. This year, he said, it is estimated that approximately 8 billion quetzals will not be invoiced.

In the case of the IVA the evasion is calculated at 305 million quetzals, inasmuch as this year 2.160 billion quetzals should be collected whereas it is estimated that only 1.855 billion will be collected. The gap could even turn out to be larger, inasmuch as companies have a propensity not to invoice their sales.

In the case of customs duties (tariffs), the evasion for 1993 is estimated at 120 million quetzals because—despite the administrative improvements—this lack of compliance continues at high levels, mainly in the form of smuggling activities and the undervaluation of merchandise.

Lastly, no significant evasion of the stamp tax is anticipated, although there is a continuing tendency not to invoice the true selling price of real estate.

The finance minister explained that payment of 125 million quetzals due on the debt of BANVI [expansion not given] was not included in the estimates for 1993, nor the amount owed on the foreign debt of INDE [National Institute of Electrification], the institution in whose behalf the government has paid out—over the past three years—more than 1 billion quetzals due on its foreign debt.

This heavy burden—added to the constitutional crisis of recent weeks, which resulted in a loss of revenue to the nation of approximately 110 million quetzals—has thrown the financial picture out of balance, generated delays in the normal flow of payments of the state, and created a fiscal deficit which is projected at something less than 0.6 percent of the GDP.

Aitkenhead placed special emphasis on the fact that the payments on the foreign debt constitute an enormous burden for the state because of the inability of the decentralized enterprises to meet their obligations, which the government—as guarantor—must then assume as they become due.

The payment of 2.173 billion quetzals is projected for this year, of which 1.4 billion has already been paid. In this way, after the payment of salaries, constitutionally mandated contributions, and service on the foreign debt (which consumes 46 cents of every quetzal of revenue received by the Treasury), the government is left with only 266 million quetzals for investment this year, despite the fact that 1.324 billion quetzals has been authorized for this purpose.

At the present time a total of 750 million quetzals is on deposit in the Bank of Guatemala—a sum that initially totaled 1.025 billion but sustained a loss of 275 million as a consequence of the crisis brought about by the coup of 25 May. It became necessary, the finance minister said, to use some of these funds to cope with the decline in the international reserves; the decrease in Cenivacus' [expansion not given] sales; the demand for foreign exchange; and other effects of the crisis.

"Another factor that could alleviate the situation and bring us back to financial equilibrium," the finance minister said, "would be to expand tax collections by instituting the Territorial Tax and approving the sale of bonds to friendly countries. An increase of 20 percent in revenues—and an indebtedness of 1 billion quetzals—are necessary in order to carry out the more than 400 projects that comprise the government's 180-day plan," he added.

It is also essential to find a way for the decentralized enterprises to acquire the ability to cover their own foreign debt, so as to to rid the government of this heavy burden.

Aitkenhead defended the achievements of his administration. Using graphics to support his presentation, he demonstrated the increases obtained in current revenues, which according to estimates will total 6.2447 billion quetzals this year. He said this was achieved by broadening the tax base and the scope of application of the taxes, and by reducing the exemptions.

First of all, the number of VAT taxpayers has reportedly increased to 178,937, while in the case of the income tax the number of taxpayers increased to 125,039—a circumstance that made it possible to improve tax collections and increase tax revenues to an estimated 5.504 billion quetzals for this year.

Income tax collections are projected to total approximately 1.2 billion quetzals this year, of which 610 million was collected in the first half of the year. The VAT yielded 853 million quetzals in the period January-June, and as of the end of the current fiscal year will have produced an estimated 1.9 billion quetzals for the Treasury.

Although application of the Tax on the Distribution of Crude Oil and Derivative Fuels was made more open to scrutiny, the revenues it produces have not increased and are forecast to total approximately 229 million quetzals in 1993.

* Subsidies, Customs Reform

93CA0172B Guatemala City SIGLO VEINTIUNO in Spanish 8 Jul 93 p 4

[Article by Carmen Aida Ibarra]

[Text] Minister of Finance Richard Aitkenhead disclosed yesterday that the maturing of the foreign debt of certain decentralized state enterprises will force the executive branch to expend this year more than 582 million quetzals, because the institutions that contracted these loans lack the financial capacity to honor their international commitments.

Aitkenhead emphasized that the foreign debt of the decentralized enterprises—such as INDE [National Institute of Electrification] and BANVI [expansion not given]—is a severe and heavy burden for the government, which in its capacity as guarantor of these loans finds itself obliged to reduce the funds that could be destined for aid and support services, i.e., funds that in principle would otherwise be directed toward social investment and satisfaction of the requirements of health care, education, basic nutrition, and other needs.

He added that in the last three years the government has allocated more than 1.5 billion quetzals toward payment of the foreign debt of the decentralized enterprises, and has projected for 1993 an expenditure of more than 582 billion quetzals, inasmuch as in the first half of this year alone it paid out 330 million quetzals, a large part of which went to make payments that should have been made by INDE and BANVI.

The finance minister also warned that in two and one-half years an INDE debt of 1 billion quetzals will fall due and will have to be paid by the central government, if by that date the enterprise is not in a position to pay it.

These explanations were made in response to questions from Deputy Juan Francisco Reyes, who criticized the subsidization of the foreign debt of the decentralized enterprises at the cost of eliminating the state's role of providing aid, because by following this policy, Reyes said, funds are taken from public health and education, thereby making more poor people instead of building a middle class.

The finance minister replied that this situation can be corrected only through governmental reform and by applying mechanisms that will enable the decentralized enterprises to acquire the ability to pay their foreign debt. Otherwise, he said, the advisability of the policy of state subsidization of debt contracted by these enterprises could be called into question.

Aitkenhead said that a policy decision must be made and a clear-cut economic strategy adopted, because to the extent that the state continues to cover the debt of the decentralized enterprises, the availability of funds for essential social projects will be very limited.

In response to a question by Carlos Perez, the finance minister said that the state has not recognized the debt contracted by Celgusa [expansion not given], and that this debt therefore continues to be a contract between Corfina [National Financial Corporation] and the Spanish Government, which are scheduled to hold bilateral negotiations under the terms of an agreement with the Paris Club. In this connection, he added, there is a proposal to reduce the total amount of this debt by 50 percent.

Aitkenhead also discussed the problem of the evasion of customs duties, which takes the form mainly of smuggling and the undervaluation of goods invoiced. He is therefore promoting a reform and restructuring of the customs system that will make it possible—for tax purposes—to establish prices and values for merchandise and thereby eliminate discretionality in the application of these factors and thereby ensure the payment of duty.

It is also planned to make cross-checks—many of which are already being made—to detect the devices used for tax evasion. These consist of importing little and selling a great deal—which implies smuggling—or in importing a great deal and selling little, which suggests failure to invoice sales, with the aim of evading taxes.

To cope with tax evasion in general, the Finance Ministry is requesting not only legislation providing for severe penalties but also legislation embodying a proposal by the judiciary for the creation of tax courts.

Lastly, Aitkenhead disclosed that at the present time the state's floating debt amounts to approximately 800 million quetzals, which represents the total of what the state owes all its suppliers, including various bills not yet due plus everything that has already been entered in the books of account and is awaiting payment.

Honduras

Army Strengthens Forces Along Nicaraguan Border

PA2108154393 Panama City ACAN in Spanish 0025 21 Aug 93

[Text] Tegucigalpa, 20 Aug (ACAN-EFE)—On 20 August, General Luis Alonso Discua, commander in chief of the Honduran Armed Forces, reported that the Army had reinforced its positions on the common border with Nicaragua. This is due to the tension that exists in the neighboring nation as a result of the massive kidnapping of government officials by the recontras.

Discua said this action was a normal procedure given the internal problems taking place in the neighboring nation and because the Armed Forces have "very clearly set out their role to safeguard national sovereignty."

A group of recontras led by "El Chacal" [Jose Angel Talavera], are holding 37 soldiers, government officials, and legislators in an area near Honduras. In order to release these individuals, the kidnappers demand the ouster of Presidency Minister Antonio Lacayo and of General Humberto Ortega, Sandinist People's Army commander in chief.

Honduras has deployed at least four battalions along its border with Nicaragua in the departments of Choluteca, El Paraiso, Olancho, and Gracia de Dios. These battalions are charged with patrolling the border areas, among other things.

Discua did not give details of the military posts' reinforcement. Nevertheless, this action is in keeping with President Rafael Callejas' statement issued early this month; namely, he would not allow armed Nicaraguans to enter the nation.

Callejas Opposes Creation of Truth Commission

PA2208002193 Tegucigalpa EL HERALDO in Spanish 17 Aug 93 p 39

[Article by Armando Villanueva]

[Text] President Rafael Callejas expressed his opposition to the creation of a Honduran truth commission. According to Callejas, this commission would only divide the nation even further, instead of uniting it.

Callejas expressed this opinion when he was questioned on the decision made by the presidential candidates of the four political parties to organize a truth commission similar to the one organized in El Salvador before the end of the war.

According to the president, the matter of missing people in the nation should be cleared up by the courts of justice, not by a truth commission. He also said this initiative "was not in keeping with the Honduran society's best interests."

The truth commission, he said, "instead of contributing to unity is going to divide the nation." Besides, he said, that is what the courts of justice are for, to clear up cases of missing people.

In another turn of events, Callejas said that all the efforts made to improve the electoral campaign "benefit the Honduran people." In this regard Callejas termed as "very positive" the initiative of Juan Ramon Martinez, president of the National Electoral Tribunal, to assemble the presidential candidates. "I support this type of action," he added.

Callejas said that if the Liberal Party candidate unilaterally decided to suspend the dirty campaign being waged against his opponent from the National Party, it is because each party "has the right to make the decisions that, in its opinion, are politically more convenient."

Callejas explained that during his campaign he tried to present a sense of solidarity and commitment with the community to resolve differences and unite the nation. According to Callejas, that electoral promise was met by his government given that actions favoring privileged groups or political persecutions have not been carried out. Contrary to this, during the current political campaign there have been "quite radical positions." Nevertheless, he expressed his hopes that the candidates would "willingly" reach an agreement to change that situation.

In the president's opinion, "the political campaign's tone is very harsh." The campaign, he said, is oriented toward attacks and creating divisions within the Honduran society, "which is far away from what we need right

now." Within this context, Callejas appeared pleased by the Catholic Church's decision to summon the candidates to a meeting on 18 August.

"I am very pleased with this, particularly because the presence of Monsignor Oscar Rodriguez, considered a leader in the nation and a man of good will and so much faith, will try to convince the leaders of the political parties that it is necessary to "wage" the campaign under different terms." Callejas said.

Callejas Meets With World Bank Delegates

PA2008161493 Tegucigalpa Voz de Honduras Network in Spanish 1735 GMT 17 Aug 93

[Text] President Rafael Leonardo Callejas spoke at the presidential building following a meeting with World Bank delegates, who just completed a two-week assessment of the Honduran economy.

[Begin recording] [Callejas] This is a delegation in charge of assessing the country. The documents and information they now have will be used by the next U.S. delegation to visit the country at the beginning of the new government, probably in February, regarding finance and support programs of the World Bank, a world leader in the field, in Honduras.

[Unidentified reporter] The World Bank delegates have said a new stage of these programs is aimed at supporting social programs and increasing expenditures to try to soften this economic model.

[Callejas] I am not sure he used the word soften. I think this is your personal interpretation. The report we made is relatively positive for the country. According to the latest figures, the amount spent on the social sectors during my government is similar to the past decade. In other words, despite the reports to the contrary, expenditures in the social area have remained at 8.2 percent of the GNP, not counting the expenses of the municipal mayors' offices. Generally speaking, the adjustment program has remained steady and yielded very interesting results. Most surprising is the fact that not only my government but previous ones as well have maintained that the Honduran economy's main problem is unemployment. But statistics say otherwise. As a result, the country's economic and social policy is geared toward an area other than the one highlighted by statistics. This is true to the extent that, according to the data gathered by the World Bank, and which will soon be available to the country's political and economic leaders, unemployment is barely 4.2 percent. This figure, may I reiterate, is different from the 29-30 percent that Honduran society had experienced.

The efforts of this government, and that of other governments as well, are and have been aimed basically at two areas: programs to create jobs in addition to the economic growth and the idea that minimum salary is a suitable alternative for increasing the population's income. According to the World Bank, however, the two concepts are wrong. Policies should not be basically oriented to this criterion of joblessness as a basic statistics figure because they found unemployment to be 4.2 percent. In addition, 40 percent of the Honduran population is not benefited at all by the minimum wage. This means that other alternatives must be sought to increase the population's income. These are two substantial subjects.

All of the current government's programs, as well as of previous governments, have been basically oriented toward job-creating programs separated from the economic growth. There can be no jobs without economic growth. Growth in the agricultural sector has been so large in the past five years that the employment rate in the rural sector is greater than the rate anticipated by the delegation. In other words, this is not the center of the delegation's stand to be discussed with the new government. These two subjects, joblessness and minimum wage, do not determine the country's new economic growth or social policies. The current government's participation in social economy is detected somewhere else.

The 8.1 percent GNP increase during the current government is higher than that of any other nation in a similar situation. In addition, the World Bank delegates are satisfied with the negotiation and the country's success regarding the foreign debt, which nevertheless remains an important factor in the country's economy, considering that 32 percent of the national budget is earmarked to amortize this debt. Honduras is one of Latin America's most deeply indebted countries, relatively speaking. This is something we, Hondurans, should be concerned about. Generally speaking, the assessment conducted by the World Bank reveals these facts. I have suggested that the delegates meet with the National Party, Liberal Party, Christian Democratic Party, and PINU [Innovation and Unity Party] candidates in September, provided the delegates are ready, to relay to the candidates the most recent information on the assessment so the candidates can incorporate this information in their platforms.

[Reporter] According to the World Bank economists, Honduras is sticking to the economic adjustment program. What do officials of such rank as they mean regarding the measures established in the country?

[Callejas] Precisely that Honduras is reaching its original goals. This is shown in increased exports, despite lower coffee prices, and the effective transfer of resources to the rural sector. In addition, research done by the delegates indicates we should continue to develop and implement fiscal austerity programs, improve the public sector's revenue, steadily transfer resources to social sectors, and make sure these measures help increase competitiveness, particularly on the monetary policy, so we can increase our exports and correct our commercial deficit. Furthermore, we should continue to try to save in the public sector so these savings can make possible greater savings in the private sector. [end recording]

Nicaragua

UNO Leaders Kidnapped; Anti-Sandinist Radio Off Air

PA2108021493 Panama City ACAN in Spanish 0149 GMT 21 Aug 93

[Excerpt] Managua, 20 Aug (ACAN-EFE)—The Political Council of the National Opposition Union (UNO), comprised of 10 delegates from parties formerly allied with President Violeta Chamorro, has been kidnapped tonight by a group of unidentified armed men, according to a Sandinist radio based in the capital.

At the same time, shots were heard tonight in the vicinity of Radio Corporacion, an anti-Sandinist radio based in the capital, with the result that that station went off the air. It is not known what has happened at Radio Corporacion.

No official source has confirmed the kidnapping of the UNO Political Council yet, but a man identifying himself as chief of "Commando 40" called a Managua radio station to confirm that the opposition politicians had indeed been kidnapped. [passage omitted]

[Paris AFP in Spanish at 0150 GMT on 21 August, in a similar Managua-datelined item, reports: "According to Radio Sandino, the unknown 'Group 40 for National Sovereignty' kidnapped the vice president of Nicaragua, Virgilio Godoy on Friday."]

Kidnappers Warn Against Rescue

PA2108022793 Managua Radio Nicaragua Network in Spanish 0158 GMT 21 Aug 93

[Text] Here is some last-minute news. Attention. We have last-minute information for the people of Nicaragua. An armed group has strafed Radio Corporacion's installations and the station is now off the air. Ciudad Jardin residents reported that apparently the station watchman was killed when the station was strafed with machine gun and AK-47 fire.

We repeat. Approximately 15 or 20 minutes ago, an unidentified armed group attacked Radio Corporation, strafed the front of Radio Corporacion's installations, and, apparently, the watchman was killed in the gunfire. This action is apparently related to the attack on UNO [National Opposition Union] headquarters in the Polonia neighborhood.

UNO leaders are reporting that the attackers have warned that the police or Army must not stage a rescue attempt. If this happens, the attackers will use force, that is, they will kill the principal leaders.

Commando Sets Demands

PA2108024993 Managua Radio Ya in Spanish 0136 GMT 21 Aug 93

[Interview with Commando 40 by unidentified Radio Ya reporter in Managua—live]

[Text] [Reporter] We have a last-minute report. It is now 2036. We have Commando 40, one of the kidnappers of the Political Council of the National Opposition Union [UNO]. They are asking the police not to come closer than 200 meters from where they have the hostages. Here is Commando 40, who will talk with us. We will also make a request because three Channel 6 journalists were kidnapped while covering an important meeting that was reportedly being held by the Political Council of the National Opposition Union [UNO]. Good evening, Commando 40. Why have you done this to the UNO Political Council?

[Commando 40] They are betraying all Nicaraguans' peace and safety! There is no safety in this country and there is a small (?clique) comprised of Alfredo Cesar, Virgilio Godoy, and all UNO deputies, while El Chacal boasts of a heroic action, a heroic action that he has no reason whatsoever to carry out! He has seized members of the government and the Army in cold blood, abusing the trust, abusing the trust, abusing the trust he has here! He has also seized deputies of the Sandinist National Liberation Front [FSLN], a political organization!

We wish to state that we will respect the UNO Political Council's safety, but El Chacal must immediately release all his hostages. We demand that Cardinal Miguel Obando y Bravo, that Cardinal Miguel Obando y Bravo and Ramiro Gurdian, who are leading this dispute, who are directing these commandos, who are seeking the camouflaged intervention of the blue helmets, which are nothing more than the U.S. Army, call El Chacal and tell him to immediately release all the hostages, without political distinction!

[Reporter] Commando 40, we would also like you to release three Channel 6 journalists being held hostage, Dino Andino, Carlos Nicaragua, and Nestor Castro, so they may provide reliable information about what is happening right now. Also, since they work for the media, they will be able to provide the information freely, like we want.

[Commando 40] (?I must consult) on that becuse it must be [words indistinct].

[Reporter] Well, Commando 40 is currently in consultations over the journalists, whose release we have requested so they can report what happened a few minutes ago.

Also, a barrage of fire has been heard around Radio Corporacion. The station is apparently off the air. Apparently it has been seized, too. We will try to investigate that. Anyway, Commando 40, who is talking

to us, says they are members of the Commando for Sovereignty and Dignity. We are listening.

[Commando 40] Yes, all right. We will, we will, we will release.... [pauses] We have made a decision. We will release the journalists, the cameramen of Channel 6, who are here, and we will continue with our demands. All right.

[Reporter] Commando 40, we would like to get the names of the UNO Political Council members being held hostage. We think he is finding out their names. We repeat the information. The UNO Political Council was in session when it was kidnapped by the Commando for Sovereignty and Dignity. Yes, yes.

[Commando 40] We have Vice President Virgilio Godoy Reyes, Engineer Alfredo Cesar Aguirre, Deputy Luisa Emilia Larios, Luis Sanchez Sancho, Dr. Eliseo Nunez, Dr. Roger Mendieta Alfaro, Humberto Duenas Delgado, Miriam Arguello Morales, Adolfo Diaz, Wilfredo Navarro Moreira, Alejandro Gaitan Sanchez, Ricardo Vega Garcia, Eugenio Lacayo, Rito Arguello, Maria Herrera Roda, Eduardo Rivas Gasteazoro, Jorge Ramirez Acevedo, Duilio Baltodano Mayorga, Arnoldo Selva Ortega, Reynaldo Hernandez Rueda, Erwin Hernandez, Alvaro Guadamuz, Julian Guido, Freddy Jose Talavera, Luis Del Carmen Larios, Roger Guevara, Joaquin Absalom Pastora, Juan Vasquez Mulieri, Edgar Quintana Romero, Andres Zuniga Mercado, Guillermo Serpa Arguello, Mario Montenegro Castillo, Roberto Moreira Mata, and Jesus Alfaro. We have a total of 34 prisoners from the UNO Political Council.

[Reporter] Commando 40, what are your demands with regard to this kidnapping?

[Commando 40] We want members of the police and the Army to retreat 200 meters to ensure the safety of the members of the commando and the UNO Political Council. Second, once they start, once El Chacal [Jose Leon Talavera] starts to free all prisoners, we will honor our promise and will free, through a commission we will establish, the entire UNO Political Council. To ensure our safety, we request that a helicopter, Army forces, and members of the OAS International Commission of Support and Verification transport us to the middle of a mountainous area in Nicaragua where we will ask them to leave us.

There, we will hold talks with other commando members because this is action was taken in coordination with other commando units in the countryside. Thus, we make clear that these guarantees for the commando depend on the political willingness that immediately.... [pauses] We reaffirm that immediately after El Chacal frees the prisoners we will also free the UNO Political Council.

Moreover, this is no time for negotiation; thus, we reject any negotiation that... [shot heard in background] any negotiation that the government could engage in at this time... [shot heard in background] that the government could engage in now ... [unidentified speaker in background: "The police are coming!"]

People will die if the police come near us! They are moving in on us unexpectedly and provocatively. We are not making this request for our own safety, because our commando will willingly die here, but for the safety of the UNO Political Council deputies.

We are not playing games, we are not [word indistinct] with innocent people, who advocate pacification, as El Chacal said. We are not playing games. We are indeed a commando unit. Thus, we ask that the police and Army troops retreat 200 meters for the sake of the safety of the UNO Political Council.

[Reporter] Commando 40, could you explain those shots we heard?

[Commando 40] Police and Army units are approaching. We have lots of weapons. We planted explosives around the house. If you wish we could ask a deputy to ascertain how many explosives we planted around the house.

[Reporter] We would like to hear a deputy. There was a crossfire near Radio Corporacion. Is it related to your commando unit?

[Commando 40] I repeat, there are innumerable commando units that will undertake operations. We think this will harm the peace we are seeking. Not only will this commando unit be out there but other commando units will operate throughout the country, because they must safeguard the country's sovereignty, its sovereignty and dignity. We do want safety, peace, and stability.

Thus, we recommend that the police and Army retreat 200 meters. We are not kidding. We will ask a deputy to speak to you to show we are not kidding. We do indeed want peace, dignity, reconciliation, and safety of all Nicaraguans.

[Reporter] That is what Commando 40 said over the telephone. They claim to have kidnapped the UNO Political Council. We are trying to gather more information on what happened near Ciudad Jardin.

[Commando 40] Ramiro Gurdian to immediately call El Chacal, his henchman and spokesman, to free all the hostages. [sentence as heard]

[UNO Political Council member Reynaldo Hernandez] This is Reynaldo Hernandez. I urge authorities to handle this situation calmly. These men are demanding that the police withdraw at least 200 meters from this place. They have given me these instructions [words indistinct] my wife and children.

[Reporter] Reynaldo Hernandez, please repeat your message for your family.

[Hernandez] I want my beloved wife and children to know that I am thinking about them and that my wish is that God will bless them.

[Reporter] How have you been treated?

[Hernandez] We have been treated normally. They have not been rough with us. We have been in this situation for approximately one hour and 20 minutes. I cannot complain about the treatment. Of course, the situation is difficult.

[Reporter] Did they use violence to enter? How did it happen?

[Hernandez] I cannot answer that question. Apparently, there was no violence. I was in an office meeting with the vice president of the Republic. We were talking when we heard noise and suddenly saw the armed men coming in.

[Reporter] Was there any shooting to scare you?

[Hernandez] No. I did not hear any shots, so there was no shooting.

[Reporter] It is said that they are heavily armed. Is that true?

[Hernandez] One moment please. [voices heard in background]

[Commando 40] Tell them, tell them [words indistinct].

[Hernandez] They say that....[pauses] Obviously, they are heavily armed. They say that....[pauses] I do not know what to call it, but I saw something like dynamite sticks or explosives.

[Commando 40] We have C-4 dynamite sticks.

[Hernandez] He says the explosives are C-4 dynamite sticks. He also says that they have fragmentation grenades and that they have been placed around the building.

[Reporter] We understand that Vice President Virgilio Godoy is not in good health. What is his condition?

[Hernandez] Dr. Godoy is fine. He is a man with self-control.

[Reporter] How are the women doing so far? Do they feel pressured?

[Hernandez] They are nervous, which is logical under these circumstances, but I would say they are fine.

[Reporter] They have not become hysterical?

[Hernandez] No, they have not.

[Reporter] Any other message you would like to send to the Nicaraguan people, Reynaldo Hernandez?

[Hernandez] I insist on what I have been saying over and over again. As I said this afternoon in a statement to the press, the Nicaraguan problem cannot be resolved through violence. I believe we must find a solution through dialogue. I believe this message was probably received by the media this afternoon or late in the afternoon. I insist on this because I see no other solution for the Nicaraguan problem than through dialogue and negotiations. The country is bearing too much, and, logically, all this seriously affects the country's activities.

[Reporter] How long were you in session?

[Hernandez] I arrived at approximately 1800. I had been called to a meeting by the vice president. We were still talking when the incident occurred.

[Reporter] What were you discussing during the meeting?

[Hernandez] We were exchanging views on the country's situation. They were general topics. Coincidentally, we were talking about the need to prevent violence, the people's rejection, including me, of kidnappings, like the people who were kidnapped on 19 August. As a member of the Nicaraguan Democratic Movement, I reviewed a document, which emphasized that point, on the morning of 20 August.

[Reporter] Have members of your party or the UNO Political Commission made any contact with the kidnappers?

[Hernandez] Look, there are several men. I cannot say how many, but logically they are around us, and therefore in one way or another we talk to them.

[Reporter] Yes. I only....

[Commando 40, interrupting] Do not try to obtain military information from us, as we will not give it to you. If you insist on that, we will have to cut off the call. What we want is a public statement from the members of the UNO Political Council. Therefore, please do not interfere with security measures. We also want to clarify that we will not have an incident similar to the one in Esteli. We will not let the Army or police come near with other intentions. We have said we are determined to go all the way to defend our sovereignty and dignity. Therefore, we want everyone to move away from the area and stop asking questions. We will let another deputy speak.

[Reporter] What I wanted to know is this: Have there been any contacts with kidnappers holding deputies hostage in the mountains, in El Chipote? Have there been any contacts to obtain the release of Sandinists deputies and other government officials who are being held hostage in the mountains? We are also waiting for a call from Eber Carcamo, near Ciudad Jardin. Here is Eber Carcamo. Eber? Eber? Eber? Please tell him to repeat.

We have Eber Carcamo, reporting from Ciudad Jardin. Eber Carcamo, are you listening? Are you listening? Are you listening? Are you listening? Let's go now to Eber Carcamo. You're on the "Already Evening" program, Eber.

[Carcamo] A couple of items: If you copied me, I told you previously that approximately 20 strongly armed

and hooded men entered Radio Corporacion and partially destroyed it. The Radio Corporacion employees are frightened, but they said the hooded men had not identified themselves with any group. Armed and hooded men entered the station, destroyed the installations, and fired into the air when they left. Right now, we are going toward....[pauses] We are about two blocks from the UNO Political Council offices and will give you more information on the kidnapping of the UNO Political Council members. Back to you.

[Reporter] We return to Reynaldo Hernandez, of the Nicaraguan Democratic Movement, and ask him, we had already asked him but want his answer on whether [words indistinct] the kidnapped deputies talked to the people, who prompted this action, to the kidnappers that are allegedly in the mountains.

[Hernandez] Hello?

[Reporter] Go ahead. Go ahead.

[Hernandez] I did not hear you.

[Reporter] We want to know if you have talked to the kidnappers, who are in the mountains and who kidnapped the Sandinist deputies, the Special Disarmament Brigade members, and other government personnel.

[Hernandez] The question offends me. I have no dealings with those men. As I told you a short while ago, I am totally against anything to do with kidnapping. I believe life should be respected, that nobody should have his rights restricted, and that people's movements should be respected. I say this to you now, I said it when Ambassador Robelo was kidnapped in Costa Rica, and I have always said it. The situation, in general, is very difficult for the country. This type of event increases the tension in the country.

[Reporter] The question is being asked because a few days ago the vice president of the Republic talked to those armed groups. He spoke to El Chacal [Jose Angel Talavera] and to Northiel [not further identified], who are his friends, to see if they would release the deputies they kidnapped and are keeping in the mountains.

[Hernandez] Ask the vice president that question. Don't ask me.

[Reporter] I am asking you as a UNO Political Council member. Perhaps, right now [words indistinct].

[Hernandez] As a UNO Political Council member? I am no longer a member and have not been a member for several months. I stopped being a UNO Political Council member when I accepted a job and started working in the private sector. I only work for the Nicaraguan Institute of Development. I was here on another matter. I came to talk to the vice president, who called me. I am not here as an UNO Political Council member.

[Reporter] Reynaldo Hernandez, do you want to add anything else?

[Hernandez] Tell him to stop asking captious questions because they confuse people. I believe you have to ask clearer, more precise questions so that you can receive clear answers.

[Reporter] The politicians are always being evasive. That is why these difficult situations arise in the country. I believe we have to sit down, as serious, responsible human beings, to talk and avoid bloodshed. We do not want bloodshed in the country again. It only requires understanding. People understand each other when they talk. The best thing is to talk regardless of the ideologies professed by people in Nicaragua. Thank you very much, sector [words indistinct]. Please connect me with the Commando 40 unit. I want to ask them a last question. Right. Thank you.

Commando 40, we only want to ask one last question. You know that the country is very tense. This tends to worsen the situation and encourages those who want a country at war. Have you considered this?

[Commando 40] We have considered the possible consequences if we continue to allow these rearmed groups, which operate with impunity in the mountain zones in the northern part of the country, to abuse the integrity of persons who really want peace in the country. Therefore, we clearly state we do not sponsor a war, we do not sponsor a war, and we want peace. We want the hostages released because then we will immediately release the hostages we have here. We have assessed the situation in connection with what it may provoke. We know what the consequences will be, but we believe it is advisable for the U.S. Government and some democrats, who encourage and bet on a new war in Nicaragua, who encourage instability and want to continue the country's destruction, to stop doing this. Likewise, we want all the political parties and social groups to reflect because we cannot continue with the law of the jungle here. Therefore, safety and stability must prevail in the country. This will not be achieved with weapons. This is effective proof that this is not what we want in the country, because there are armed groups which operate in the northern zone of the country and threaten the Nicaraguans' safety. It is easy to repeat history here. That is what we are trying to prevent. Therefore, we tell El Chacal to immediately put down his weapons and release the prisoners. We will then also release our prisoners and prove we truly want a peaceful solution so Nicaragua may come through.

[Reporter] Commando 40, we would like you to repeat the demands to release the UNO Political Council.

[Commando 40] Immediately release the Nicaraguan Government members who comprise the peace commission, the Sandinist National Liberation Front deputies, and the other hostages they have, without political distinctions and respect their safety. That is the first thing. Immediately after this happens, we will release our hostages.

Second, Ramiro Gurdian and Cardinal Obando should immediately issue an appeal to El Chacal and urge him to release that group of persons without making any demands for a negotiation. We do not want to negotiate for hostages. They release their prisoners and we immediately release the prisoners we have here, under the security norms we mentioned. Army and National Police troops should withdraw to a distance of 200 meters. Also, only a few media representatives will be allowed to approach.

Third, for our protection and safety—right?—we want a helicopter once all this has concluded, if that ever happens in such a way that there is no bloodshed. We want to be taken by helicopter, with members of the International Commission of Support and Verification and the Army, to a place in Nicaragua we will later specify.

[Reporter] Commando....

[Commando 40, interrupting] Immediately that-....[pauses] Hello?

[Reporter] Yes, go on, go on, we are listening.

[Commando 40] Hello.

[Reporter] Go on, go on, go on, we are listening.

[Commando 40] Hello.

[Reporter] Hello, you may continue now.

[Commando 40] To the disarmament of guerrilla groups of El Chacal...

[Reporter, interrupting] Hello, Commando 40. We would like, if possible, to hear Vice President Virgilio Godoy or Alfredo Cesar, whoever is closer...

[Commando 40, interrupting] Alfredo Cesar because we are assessing other situations. [sentence as heard] We know and can see that the Army and police are starting to mobilize and we want to tell them this is not Esteli. We repeat, this is not Esteli. This is a commando unit willing to die defending sovereignty, dignity, and peace in Nicaragua. We will bring Alfredo Cesar.

[Reporter] We are bringing to you the words of the Commando for National Sovereignty and Dignity, which kidnapped the UNO Political Council as it was meeting on the afternoon of 20 August at its headquarters. We have been told there has been shooting in several areas, including Bolonia and Ciudad Jardin, where another commando unit seized Radio Corporacion. We also want to bring you the statements of those who were inside the UNO headquarters meeting this evening and, I repeat, were kidnapped by a commando unit calling itself Commando for National Sovereignty and Dignity.

Among those kidnapped are Vice President Virgilio Godoy, Alfredo Cesar, Luis Sanchez, Miriam Arguello, Duilio Baltodano, and Joaquin Absalon. Andres Zuniga is also among them. We will ask them to repeat the names of those who are being held hostage to keep Radio Ya listeners abreast of what is happening in Nicaragua and the world through the always number one radio station. Hello? Hello? Yes, we are listening. Hello? Hello?

We are still waiting for them to bring one of the hostages. We were told they would bring Alfredo Cesar. We hope he is available to tell you what is happening in there, what people think of these difficult moments in our country. Members of the National Assembly Human Rights Committee, of the Special Disarmament Brigade, and government officials, including those of the Agriculture Ministry, Social Action Ministry, Construction and Transportation Ministry, and Nicaraguan Agrarian Reform Institute were kidnapped on 19 August at about 1130. We know nothing about them. Hello? Yes? Hello? Hello? Hello?

Here is Alfredo Cesar, who will tell us about the anguish being experienced at the UNO headquarters. We are listening, Alfredo Cesar.

[Cesar] I was actually allowed to speak to find out whether you wish to know any special details about this.

[Reporter] We want to know the situation you are facing in there. What do you think about the situation facing Nicaragua? How could we attain peace?

[Cesar] I already voiced my stand to those who came to occupy UNO headquarters. It is the same stand I have maintained all day long following the developments in Quilali. That stand is that I reject any violent actions that could jeopardize any Nicaraguan citizen, because those are no means to settle problems in the country. That is the same stand I have maintained all day long and the same stand I repeated to them.

[Reporter] We know about the difficult situation you face. That is perhaps the reason for your plain-spoken reply. We want to know what you were discussing at this evening's meeting.

[Cesar] The UNO Political Council was meeting to reach a number of agreements, as we have regularly done here at UNO offices. Pending agenda points include several resolutions proposed for today, including an analysis of the repercussions of the incidents in Quilali. We were discussing that topic when this military group occupied the UNO facilities.

[Reporter] As a former member of the contra directorate, have you had a chance to speak to leaders of El Chacal's group or with El Chacal himself on the release of the deputies and other government officials?

[Cesar] I do not know Talavera nor have I had any sort of communication or contact with them since that group emerged.

Consequently, I have only expressed my opinion in public on the fact that I insist that we are not going to

resolve the serious crisis we are facing with acts of violence that endanger the safety of Nicaraguan citizens. This is my opinion, and I continue to view things that way.

[Reporter] How have you been treated, Alfredo Cesar?

[Cesar] We have not been mistreated physically. There were some insults at the beginning, as a result of nervousness perhaps. Things have quieted down now. From the physical treatment received, there is nothing to be concerned about. Evidently, there have been some moments of tension. A shot was fired when the group presumed that some police forces were approaching the area. But that is over now, and the situation is quiet.

[Reporter] Do you have a message for your relatives?

[Cesar] I want to tell my family to remain calm. The situation here is stable, and we must ask the Lord to enlighten the minds and hearts of all Nicaraguans, because I insist that it is not with acts of violence such as the ones taking place now in Nicaragua that we are going to resolve any problems. Problems will be resolved through dialogue. This is what all Nicaraguans must understand because the policy of an eye for an eye and a tooth for a tooth will only lead us to the destruction of the entire country.

[Reporter] Thank you very much, Alfredo Cesar. Could you please put....[pauses] We also wanted to ask Commando 40 if Miriam Arguello is among the women they are holding. Hello. We would like to know if you could put Miriam Arguello on so we could learn about how the kidnapped women are doing.

[Commando 40] We will try to do this. You must understand how delicate this situation is. We are going to try to bring her here.

[Reporter] We want our listeners to hear statements from the women who are being held. Radio Ya always carries first-hand information. We are awaiting Commando 40 to bring Miriam Arguello, so she and any other lady in the group can tell us what the situation is like. We hope to be able to speak to Vice President Virgilio Godoy afterward or Luis Sanchez so they can give their message to the population on this crisis. Good evening.

[Arguello] Good evening.

[Reporter] Is this Miriam Arguello?

[Arguello] Yes.

[Reporter] Can you tell us how you feel and what is your view on the events taking place in our country?

[Arguello] How do I feel now? I feel like any human being would feel when she is being held against her will. That is all. What else can I tell you?

[Reporter] Can you give a message to the police or Army, which have threatened to approach the UNO House? What is your message to them?

[Arguello] I would tell police and the Army that they already heard the statements or conditions of the people holding us in here. We consider that to protect our safety, they must not come close or take any action because they would not resolve anything with regard to our situation.

[Reporter] Miriam, kidnappings have become very popular in NIcaragua. Do you have a specific message on this situation that heightens tension in Nicaragua?

[Arguello] My message is that it is unfortunate we have reached this point in Nicaragua. Those of us, who have always struggled here in a civic manner and who have not engaged in warmongering actions, have warned that things must be set in order in this country so as to not reach extremes. Unfortunately, our demands have not been heeded. The executive branch did not want to pay attention to us and this is the result. I said this in statements I gave on 19 August. I said this situation was a responsibility of the government for not heeding the different demands made. I condemned the kidnapping because I can never agree with actions of that nature.

[Reporter] Thank you very much, Miriam. Could you please put on a representative of the Commando 40 who has been talking to us? We have also been asked about what has happened in Radio Corporacion. Eber, are you listening to us? We want to know if one person was killed in the takeover of Radio Corporacion.

[Eber] Yes. There were no deaths at Radio Corporacion. An armed group took over Radio Corporacion and destroyed some facilities here. In other words, the installations of Radio Corporacion were destroyed by an unidentified armed group, but there were no deaths. Only some shots were fired in the air. We are standing here, outside of the UNO House, where a battery of reporters is trying to get in. Out here journalists want to take pictures and conduct interviews. However, only one camera, the camera of "Extravision" newscast, was able to enter the building. We came with those people. We were unable to go in because the doors were closed, but we are out here. Police are about 200 meters from the UNO House. There is little military activity out here, but large numbers of reporters are arriving here. We saw about three patrol cars 150 meters down the street and there are three more patrol cars up the street. We have been unable to detect troop movement, but we do not know if they are being mobilized in other sectors. This is what I have to report at this time. I will be ready to report anything that may happen outside of UNO House.

There are administrative personnel, who were also locked inside the house. There is a large number of vehicles here, including the vehicles of Vice President Virgilio Godoy, Alfredo Cesar, the vehicle of [words indistinct] persons, all the advisers of Godoy are here. Tension among the journalists here is high. We are

waiting for something to happen or to be allowed to enter, but it is very unlikely that we will be allowed in. But we are trying and, as I told you, military activity is very limited.

[Reporter] We want to issue an urgent appeal to the National Police. We have received telephone calls threatening Radio Ya. We have received threats against Radio Ya. We issue an urgent appeal to the National Police. Please give immediate protection, immediate protection to Radio Ya's studios and our antennas, located in the Camilo Ortega neighborhood. We want immediate protection. This is an urgent appeal to the National Police. We have received telephone calls threatening Radio Ya. We want immediate protection in our studios here in front of the Central American University [UCA], and in our plants at the Camilo Ortega neighborhood.

Attention, National Police: This is an SOS from Radio Ya. We have been threatened. We need protection. National Police, please come to protect us here. The threats are that we will be blown up or that bombs will be hurled at us. Please, National Police, we need immediate protection in our studios, here, in front of the UCA, and in our plants at the Camilo Ortega neighborhood. Please, please, National Police, help us, protect us because we have received threats that we will be attacked with bombs, that someone will fire a torpedo and other things at Radio Ya's studios here and at our plants.

This is an SOS to the National Police. Please provide immediate protection because we are receiving threats from extreme right-wing groups, which say they will blow us up. Please, National Police, please, National Police, give us immediate protection because we have received threats that we will be attacked with bombs or blown up, here in our studios in front of the UCA and our plants at the Camilo Ortega neighborhood.

This is an SOS, an SOS to the National Police and the Army. Please give us help. We have here workers, journalists, and announcers. We have been been threatened to death. National Police, please give us protection because we have been threatened with death. This is an SOS, an SOS to the National Police, the Army, or whoever can protect us. Give us protection, we are being threatened to death. We will be killed if we continue to broadcast what is happening. Please, National Police, please help us, please help up. Help us, National Police, Army, whoever.

We demand, request immediate protection, National Police. We are being threatened with death. We will be blown up. Rockets will be fired at us. Help us please. They will kill us if you do not come immediately to Radio Ya in front of the UCA or our plants in the Camilo Ortega neighborhood. This is an SOS, an SOS from Radio Ya to the National Police, the Army, whoever.

We also issue an appeal to the people. We urge them to defend the people. We are simply fulfilling our duty of informing the people. We are not in favor of violence in this country. We want peace and tranquillity for all. The people must also come to defend this radio station, which is their radio station. It is now 2127 and we have Commando 40 on the line. Over.

[Commando 40] From the Commando for National Dignity to the Nicaraguan people:

Right now, we face a situation which threatens the homeland. We have analyzed for some time the right-wing groups' conduct, that turncoat conduct, that antinationalist conduct. Today we have carried out an action to prove what we are capable of doing and what we will do in the future if this country does not opt for a pure, democratic, and nationalist nationalism. We are not requesting the mediation of the cardinal, whom we hold responsible for this situation. We are not requesting the mediation of the Army or the police. We want to warn the Army that this is not Esteli. We have people here, who are very important in this country. We want both the police and the Army to withdraw to a distance of at least 200 meters. We do not want special troops. We want no casualties.

Command 3-80, meaning El Chacal, which is the one I will deal with, must release the 42 hostages tonight at midnight [0500 GMT]. That is the first demand. We will talk after that. We will talk after that, right? El Chacal has approximately three hours. We know El Chacal did not carry out that action alone. We know El Chacal was following guidelines from the White House. He was being guided by Senator Jesse Helms' office, by the Capitol.

How many trips did Gurdian make? How many trips has Virgilio made? How many trips has the Higher Council for Private Enterprise [COSEP] made? How many trips have Aleman and all the extreme right-wing groups made? They want to prevent the poorest sectors in this country from living in peace. The people's patience has run out. The people can no longer withstand this situation. We are talking about the poor people, those who struggle, those who waged a revolution so this country could have peace and democracy, a democracy that was respected on 19 July 1979.

Many of the people, who made the revolution with us, are here now. Virgilio Godoy was a member of the militia in those days. He marched with a BZ-52 [not further identified] in 1980. I saw him marching. I saw Virgilio Godoy when he was the labor minister. He was a member of the militia then. I saw Alfredo Cesar step down from an aircraft dressed in olive greens. I saw many others do the same thing. Later on, they decided to change and left the nationalist path.

Sandino has been vilified. Carlos Fonseca has been vilified. Heroes and martyrs have been vilified. Nobody is respected in this country anymore. Here, we only talk about light blue, blue, and purple berets. We want and believe problems will be resolved among Nicaraguans.

Be advised, if an Army or police member enters this place, everybody is going to die here. Listen well. We are not fooling around. We are not fooling around. I am Commando 31, head of the national dignity commando unit. Police and Army personnel must be withdrawn. We are quiet and calm. There was some tension at the beginning, but things are starting to quiet down. We have allowed reporters to see the hostages. They are well and nobody has harmed them. We believe this is important. El Chacal has until 1200 tonight, or until 2400 hours, to release the hostages. There are no further conditions.

We also warn the rightists that if any radio station, like Radio Sandino, Radio Ya, La Primerisima, or any other station, is negatively affected by terrorist actions, things will get complicated then. We call on the people to be constantly alert in the streets and cities. We call on the commando units in the northern part of the country to be ready for the outcome.

We have several conditions. I already gave the first one: That the Commando 3-80 unit release their hostages immediately and without any conditions. Later on, we will see how we will get out of here. Our lives are not important. The country's peace is more important. The democratic stability of the Nicaraguan poor and have-nots is more important. How many women have gone into prostitution because there are no jobs here? This is what I ask these bourgeois, capitalist men, who became millionaires with the Sandinist revolution and continue to make millions with President Chamorro's government.

What is important here is not Antonio Lacayo. It is not whether General Humberto Ortega leaves or stays. Humberto Ortega and Antonio Lacayo are not issues we are going to allow the United States to decide. Who says the United States has to judge this? We are in Nicaragua, here. We tell the U.S. Government right now not to get involved with this problem. This is a problem among Nicaraguans and we are going to resolve it among Nicaraguans.

First, the situation is clear: Chacal versus Commando. We know who the people behind Chacal are. They must instruct him so that by 2400 today, at midnight, in Esteli, in the offices of the CIAV-OAS [International Commission of Support and Verification-OAS] the 42 kidnapped companions, Doris Tijerino, Carlos Gallo, Ramon Ernesto Sosa, Ivan Portocarrero, and the others, are released. If not, we will continue.

This is not a cowardly, traitorous commando. No, this is not the Costa Rican commando. This is a "Free Fatherland or Death, We Will Win" commando. To get here, they will have to come in with blood and balls, and all the scorched bodies will have to leave here through blood and balls. No one surrenders here. Police and Army personnel must keep their distance of 200 meters.

We will now accept that a government commission, we will give the names of the people in the commission, who can come here so that we can give them a list of immediate demands. We will give you the names in a moment. For the time being, keep on listening. We have issued our warning about the radio stations and media sources. Be careful!

President's Statement on Hostage Crises

PA2108064693 Managua Radio Ya in Spanish 0553 GMT 21 Aug 93

[Statement by President Violeta Barrios de Chamorro on 20 August; place not given—recorded]

[Text] This is Violeta Barrios de Chamorro, your president. I have closely followed the events occurring in recent hours, and it is truly sad, disappointing, and even heartbreaking to see there are Nicaraguans who still insist on settling their problems and differences by resorting to violence and confrontation.

I believe it is time to state, from the bottom of our Nicaraguan hearts: Enough hate, violence, incomprehension, and intolerance! In these three years of my government, all Nicaraguans, bored and tired of past wars, have become convinced that the only way to settle our differences is through dialogue and mutual understanding.

I know this is hard for some people, but we must, nevertheless, give preference to our patriotism and tolerance rather than to [word indistinct] and an armed conflict. I repeat, this is an appeal issued to the groups involved in the conflict, urging them to respect the lives and safety of the people they hold hostage. Remember, they are all your brothers. You are all under the same sky and the same flag, without distinction.

Tonight I have invited the National Opposition Union [UNO] and Sandinist National Liberation Front [FSLN] leaders to get together and, like true brothers, try to find the solution to this grave problem. I wish to issue a sincere appeal to all my fellow Nicaraguans: Let reason, understanding, and tolerance prevail!

These reprehensible events, both the one which began yesterday in the northern part of the country and the one which began today in Managua, at the UNO offices and at Radio Corporacion, have caused a difficult situation. We must work together to overcome this situation, the UNO and FSLN members and all groups in the Nicaraguan society, to strengthen peace and overcome this obstacle.

We are all truly brothers, the children of a fruitful land, which only wants the best for its people: peace, stability, and the strengthening of values for true reconciliation, which the Nicaraguan family hopes to achieve in democracy and liberty. May God and the Virgin help us find everlasting peace in our Nicaragua. Good evening.

Agreement on Hostages, National Safety

PA2108091493 Managua Radio Ya in Spanish 0821 GMT 21 Aug 93

["Text" of agreement signed by the Nicaraguan Government, the National Opposition Union (UNO), and the Sandinist National Liberation Front (FSLN) in Managua on 21 August; read by Nicaraguan Presidency Minister Antonio Lacayo—live]

[Text] The undersigned, representatives of the government of the Republic, the UNO, and the FSLN, were called together today by President Violeta Barrios de Chamorro.

Whereas:

1. The difficult and critical situation which prevails in the nation, caused by actions which have endangered the lives of dozens of Nicaraguans kidnapped by armed groups—3-80 in Quilali and Sovereignty and Dignity in Managua.

2. The government and representatives of the two most important political groups in the country are duty-bound to guarantee the hope, shared by all Nicaraguans without distinction of partisan beliefs, to consolidate peace, democracy, and the citizens' safety in the country.

3. Given the events which today resulted in this meeting, it is imperative that we protect the lives and integrity of all the people kidnapped by the two armed groups.

4. We must not hesitate to firmly and strongly condemn all acts of violence, regardless of their origin or motivation, which jeopardize peace in Nicaragua. These actions only increase social and political tensions.

5. The government, UNO, and the FSLN believe it is urgent that we contribute to find an expeditious solution to end these incidents and guarantee the hostages' liberty.

Therefore, within this spirit, we agree:

1. Demand the unconditional and immediate release of all the people kidnapped by the two groups.

2. The government of the Republic will facilitate all the institutional and legal means and resources that serve to achieve the hostages' release.

3. Ask the OAS International Commission of Support and Verification to mediate for the release of all the hostages, with the necessary safety and in a simultaneous way.

4. Issue an appeal to all the political, social, labor, and business groups so they provide their full support to the initiative and so that, once the hostages are released, help strengthen peace and national understanding.

Referring to this, we agree to immediately carry out initiatives which lead to the achievement of a national agreement. Therefore, we pledge to eliminate all obstacles that have previously prevented institutional, economic, and social normalization and the search of a common well-being.

Issued at the president's house on 21 August 1993.

On UNO's behalf: Roberto Urroz, Luis Humberto Guzman, Edmundo Castillo, Leopoldo Navarro, Eli Altamirano, Azucena Ferrey, Agustin Jarquin, and Armando Zambrana.

On the government's behalf: Antonio Lacayo, Alfredo Mendieta, Francisco Rosales, Pablo Pereira, William Baez, and (Juan Alvaro Bonilla).

On the FSLN's behalf: Daniel Ortega, Sergio Ramirez, and Luis Carrion.

Pleased with the agreement reached by the parties I have summoned, I countersign its contents and, once the immediate goal we have established is reached, I urge the signatories to continue the task of jointly solving the Nicaraguan family's most critical problems.

[signed] President Violeta Barrios de Chamorro

Statement Following Agreement Signing

PA2108090693 Managua Radio Ya in Spanish 0810 GMT 21 Aug 93

[Statement by President Violeta Chamorro following the signing of an agreement between the Nicaraguan Government, the Sandinist National Liberation Front, and the National Opposition Union (UNO) in Managua; broadcast in progress—live]

[Text]...my government so that we can end these differences and lack of understanding building our fatherland. This truly sad moment might not have been...[pauses] People have been kidnapped in the north. Some have been killed, too. Some UNO friends have been kidnapped. I imagine that after [words indistinct] who are at the UNO, holding representatives from that group, may release them now. They are going to get out [words indistinct] so that they can go home and sleep peacefully, because this agreement [words indistinct] gentlemen, who are there, so there is no more suffering or problems and we can begin to rebuild our fatherland in unity, with national consensus and understanding. This will permit us to exchange impressions [words indistinct] as we were before.

After winning the elections democratically, within such a broad reconciliation process, there is no room for division. I believe that we, both groups, must contribute our share to save our fatherland and give an example to the world of what we are. Maybe today, yesterday, or the day before yesterday some people became angry with others. We must be brothers again and shake hands to form a new union, which we began to form three years ago. Today, with these conflicts that happened yesterday, I would like them to hear me again [words indistinct]

those, who are out there, to release the National Assembly people and all those who went there to talk to them to seek the common good of all [words indistinct] talk and learn how to work together for the good of Nicaragua. If we do not work for Nicaragua's good [words indistinct]. Once and for all, we must all work together in this regard, knowing each other better perhaps and making a great effort to shake hands, not lose our minds and do what is right for our own sake. In this regard, I feel very happy and satisfied that you can get along. We have been sitting here for so long [words indistinct] but we are here now [words indistinct] many things have happened since many years ago.

Today is a historic day for all Nicaragua. I would also like to take this opportunity so that people all over the world, regardless of where they are from, can see on all those television sets, that in Nicaragua the UNO, the Sandinist Front, and Chamorro government are united to work for our fatherland and that there will no longer be more armed conflicts. [Words indistinct] what I have always told you is that we must work and seek how to produce and assist all unemployed in the country. We ought to thank the Lord that you are in your fatherland and not in exile. [Words indistinct] we must attract them so that they come to our fatherland to seek what to do somehow. We must work together to rebuild our (?peace). Thank you very much. May God bless you all. We must keep the faith [words indistinct].

Managua Kidnappers Agree to Simultaneous Release

PA2308014493 Managua Radio Ya in Spanish 0026 GMT 23 Aug 93

[Text] We called the Political Council of the UNO [National Opposition Union] headquarters here in Managua and spoke to the National Dignity and Sovereignty Commando. We were told that as the 3-80 Northern Front releases their hostages, the hostages being held here by the National Dignity and Sovereignty will also be released.

We also clarify that El Chacal [Jose Angel Talavera] was not present at this meeting. Esteban, El Chacal's brother, and El Chacalin, a younger brother of El Chacal, with eight other commanders of the 3-80 Northern Front were present at the meeting. This was the information sent to us by (Jorge Catino).

There is a meeting at the Government House right now and we are awaiting the reactions. We have already heard the first reaction from the National Dignity and Sovereignty Commando at the UNO headquarters. They said they will accept the proposal for the simultaneous release and that as hostages are released in El Zungano, in the Quilali area, the hostages will also be released here in Managua.

We have to clarify that in Managua yesterday, 14 hostages were released, and it has been announced that they will release two more, including Mr. Alfredo Cesar, a member of the Independent Liberal Party, who, by the way, is the magistrate of the Supreme Electoral Tribunal.

This is the information we have received up to this moment and we beg you to stay tuned to channel 4.

Sandinists Release 10 Hostages

PA2108230693 Panama City ACAN in Spanish 2250 GMT 21 Aug 93

[Text] Managua, 21 Aug (ACAN-EFE)—The Sandinist commando, which is holding 32 people hostage in Managua, released 10 of them on 21 August. Two of the hostages released are leaders of the National Opposition Union (UNO), who have health problems. The other eight hostages released are administrative workers at the UNO headquarters.

3-80 Northern Front Releases 20

PA2308011393 Panama City ACAN in Spanish 0044 GMT 23 Aug 93

[Text] Managua, 22 Aug (ACAN-EFE) — State-owned radio station Radio Nicaragua has reported that the "recontra" chiefs of the "3-80 Northern Front" today released 20 of the 37 hostages they have been holding since 19 August in the mountains in the northern part of the country.

The official station also read a communique issued by the "Board of Commanders" of that group of rearmed former contras in which they announce that in the next 24 hours they will release the rest of the hostages.

Another armed commando, of Sandinist ideology, is holding 18 hostages in Managua, including Nicaraguan Vice President Virgilio Godoy, as a means of pressuring the 3-80 Northern Front into setting its hostages free.

Commission Leaves Quilali With Freed Hostages

PA2308035793 Managua Radio Ya in Spanish 0309 GMT 23 Aug 93

[Report by Esteli correspondent Marta Marina Gonzalez—live]

[Text] Moments ago, we called Quilali and learned that the government commission made up of Dr. Francisco Mayorga, Dr. Frank Cesar, Lino Hernandez, Alcides Molina, Mateo Guerrero, Felipe Sanchez, and Winston Betanco, a member of Cardinal Miguel Obando y Bravo's verification commission, met 3-80 Northern Front members Esteban, Chacalin, Martin, Negro, Marlon, Pilot, Gorrion, and Chunte but not El Chacal. An agreement was signed once the negotiations concluded, and the hostages were released.

The commission left Quilali at 2120 en route to Managua. We figure they will reach Esteli between 2400 and 0100. The government commission carries the 3-80

Northern Front demands to be delivered to the presidency to seek, as part of the document states, a permanent and definite solution. The document also states they will continue the dialogue process to meet 3-80 Northern Front demands. Moreover, the government pledged not to carry out any military action. This was confirmed by Major Maximo Zeledon, of the Sandinist People's Army [EPS]. He said the EPS will not move the troops from the places they have been deployed. That was the government's pledge, meaning to keep the troops in their current positions and to refrain from moving them or carrying out any action.

The commission is currently en route to Managua. We will try to meet it when it arrives in Esteli for further reports. The commission is accompanied by the people who were released, namely Deputy Labor Minister Mario Garache, Dr. Fernando Sanchez, Lt. Col. Ramon Ernesto Sosa's secretary, and 17 Special Disarmament Brigade members. We were told that the 18 remaining hostages held by the 3-80 Northern Front remain in El Zungano and that they will be released in a matter of hours. However, we were told the specific time was not established. In other words, this is not definite because no specific time has been given for their release.

We were told the commission's meeting concluded at approximately 1800 and El Chacal, who claimed the government had sent a second-level commission, did not attend. Nevertheless, he decided to appoint Esteban, the 3-80 Northern Front political official, to talk and negotiate with the commission. El Chacal met privately with only Dr. Francisco Mayorga but not with Frank Cesar. Cesar did not see El Chacal, who refused to receive him. It was stated that El Chacal did not want to receive Cesar because there were troops in the vicinity. That is what has happened so far.

Panama

Panamanian Authorities Confirm Bosnian Arms Deal

AU1908143993 Prague CTK in English 1143 GMT 17 Aug 93

[Text] Panama/Prague August 17 (CTK)—The Panamanian Government yesterday confirmed that weapons traders had tried to take arms and munitions of Czech and Austrian provenance into Bosnia, while passing them off as heading for Panama.

Officials from the Panamanian Foreign Ministry repeated that the deal had been discovered before it actually took place. They confirmed that the weapons, valued at 21 million USD [U.S. dollars], had been destined for Bosnia which is subject to a United Nations arms embargo.

All the evidence indicates that the traders ordered the arms from one Austrian and two Czech arms manufacturers (Sellier and Bellot in Vlasim, Central Bohemia and Czech Munitions in Uhersky Brod, South Moravia). It seems the deal was made through the Panamanian Consulate in Barcelona, and that the weapons were ostensibly for the Panamanian Army. However, the Panamanian Army was disbanded after the American invasion in 1989.

A special commission from the Panamanian Government investigating the case for two weeks in the Czech Republic, Panama and Spain, called the case a shameful scandal and specified that the total order comprised 26,800 machine guns, 5,000 pistols, 128,000 magazines and 17 million cartridges.

The commission refused to name persons probably involved in the affair, saying that the degree to which any Panamanian citizens are responsible for this shameful scandal has to be decided by the relevant Panamanian authorities. However, the Panamanian deputy consul in Barcelona, Victoria Uribe de Cluet, had been recalled and the consul, Eliezer Elisha Quinterose had voluntarily resigned.

When the affair broke out at the beginning of August, the general director of Czech Munitions in Uhersky Brod, Miroslav Duda, told CTK that the weapons order for Panama was accompanied by original documents requesting the issue of an export licence. After vetting the first part of the request, and consulting the Czech Foreign Ministry, the Czech Industry and Trade Ministry could find no reason to refuse a licence, and so one was granted for a fixed period.

Simultaneously, the Czech Foreign Ministry added that after checking certain unclear things surrounding the case, it was decided that according to the current legal regulations, a licence could not be granted. The ministry claimed that the exporter was told of this decision before the deal was made.

The licence was not granted because experts found that the information given in the documents did not entirely correspond to the declared place of delivery. No pistols went from Czech Munitions to Panama in connection with that case. Nor did they therefore go to any other state to which they were apparently to be reexported, Miroslav Duda said at the beginning of August.

Endara Implicated

PA2008130393 Panama City Telemetro Television Network in Spanish 2300 GMT 19 Aug 93

[From the "Telemetro Reports" newscast]

[Text] There is new information concerning the series of reports linking Panama with the contraband of weapons to Bosnia-Herzegovina, through its consulate in Barcelona, Spain. An investigation carried out by the "Telemetro Reports" news revealed negotiations were underway between Panama and Venezuela for the sale of a Panamanian weapons factory as payment of its debt with that South American country.

Jose Vicente Rangel—a politician, one of the most influential journalists in Venezuela, and one of the chief supporters of the charges that resulted in President Carlos Andres Perez' removal—reported in the Venezuelan media the case that has now become front-page news for the Panamanians.

We now have journalist and politician Jose Vicente Rangel on the telephone. He will reveal very interesting information.

[Rangel] I thank my friends in Panama. I want to state the following: I revealed information, from reliable sources, some weeks ago in my television program and in the column I write for EL UNIVERSAL newspaper in Caracas. The information says Panama's debt with Venezuela was being renegotiated, and a Panamanian weapons factory would be sold for approximately $130 million as part of the payment—Panama's total debt with Venezuela is $300 million. I repeat the amount: $130 million.

According to the information, the factory was not worth that amount. Its value was far below the amount. The operation involved the participation of a Venezuelan company that trades in military equipment and weapons. The name of the company is Import Toral, Inc. Some retired Venezuelan officers are shareholders in the company.

The operation was under way and, in fact, representatives of the Venezuelan firm had specially invited directorate board members of the Venezuelan Military Industries Corporation, CAVIM, to visit Panama. Furthermore, it was stated that the Venezuelan enterprise's representatives would be attended to by leading members of the Panamanian Government when they visited Panama, because Panamanian President Guillermo Endara was particularly interested in carrying out the operation.

The operation was called off, rejected due to my reports and CAVIM's purchase of the Panamanian weapons factory—for the mentioned price, so it could be deducted from Panama's debt with Venezuela—will not be carried out. That is the information I revealed on that occasion.

Former Prosecutor Links Colonel, CIA in Spadafora Case

PA2008163893 Panama City EL PANAMA AMERICA in Spanish 20 Aug 93 p 1A

[Article by Juan Pritsiolas]

[Text] David, Chiriqui—Former Special Prosecutor Rodrigo Miranda has charged that former Colonel Luis Papo Cordoba was recruited by the CIA and that several U.S. intelligence organizations gave the Defense Forces of Panama "the green light" to kill Hugo Spadafora. As Miranda sees it, Cordoba, one of the ten military men indicted in the Spadafora homicide case, "maintains the discipline characteristic of CIA agents and deep in his heart believes he will not be forsaken" by that Agency.

Miranda, replaced as special prosecutor shortly after assuming that post, said that he possesses U.S. Congress reports revealing that the CIA has recruited 350 Panamanian military since 1982. Miranda said that he also possesses an intelligence report that Cordoba sent to Manuel Antonio Noriega, then G-2, 13 years ago, with a copy to the U.S. 470th Military Intelligence Brigade 470. The former prosecutor said that he has reason to believe that members of the G-2 "Special Command" of Chiriqui, who captured Hugo Spadafora, also received training from North Americans.

Miranda said that the CIA "protects its toppled agents" and evidence of this is Manuel Antonio Noriega. This is why Cordoba believes that he will not be abandoned. According to the former prosecutor, Spadafora was the target of a "conspiracy" due to his disposition of making the "shocking exposition" that U.S. planes supplying arms to the Nicaraguan contras returned to the United States loaded with cocaine. Miranda charged: The CIA, the Southern Command, and other agencies "gave the green light for that crime," but only "ten miserable people" are sitting on the accused bench. Miranda said that he was removed from his Special Prosecutor post because of his decision to investigate not only Noriega but also the CIA in the Spadafora case.

Meanwhile, Miriam Jaen de Salinas, Cordoba defense attorney, said that this is the first time she has heard of information referring to her client as a CIA agent. At the beginning of the hearing, Cordoba promised he would tell the truth about what happened to Spadafora, but so far he has only said he covered the crime committed by Francisco Gonzalez Bonilla, something he admitted to during reconstruction of the crime. The former colonel is planning to address the jury when his defense attorney's turn to make her final allegation comes at the trial being held at Chiriqui's Superior Court.

Brazil

Importance of U.S. Delegation's Visit Viewed

PY2008124093 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 19 Aug 93 p 3

[Editorial from the "Notes and Information" page: "Brazilian-U.S. Relations"]

[Text] Clodoaldo Hugueney Filho, Foreign Ministry International Affairs director, is meeting in Brasilia with a delegation of U.S. diplomats who came to Brazil to collect material for the long-term design of U.S. foreign policy. The visit itself should be enough to clear away the dark clouds of anti-Americanism, which—in the unreasonable fashion of the 1950's—today nurture the feelings of inferiority in those who see Brazil "sieged" by Washington's aims and means of hegemonic domination.

The Political Planning Group does not go to just any country. The group exchanges information, at a local level, and tries to understand the deep driving forces behind politics and political attitudes, an effort that can succeed only through personal contact. This work is limited to those countries that are central to U.S. foreign policy and to the regional powers that cannot be ignored in long-term planning.

The State Department, therefore, is concerned about and has confidence in Brazil's future to the point of sending a high-level delegation to Brasilia to meet with Brazilian diplomats, agree on international theaters, and compare the general foreign policy line of the two countries.

Such debates, or rather, exchanges of information, do not focus on conflicts in bilateral relations. They deal, above all, with the exchange of both governments' views of the future. The two foreign ministries will benefit from this analysis when they address specific bilateral issues. The importance of this meeting should not, therefore, be measured in terms of short-term results, but rather in terms of the possibilities for concerted, or at least not opposing, action, which will strengthen, in a constructive manner, even more, bilateral ties in the future.

It is therefore important, for example, to know what the two governments expect from the United Nations. Brazil wants the United Nations reformed to allow the Security Council to admit other permanent members, even without the right to impose a veto. The United States intends to preserve the United Nations as an instrument for giving legal status to forceful intervention wherever international order should be restored on behalf of world peace and regional tranquillity.

The previous identification of matters of common interest, either for joint development or for preventing possible natural discrepancies from paralyzing relations, is a task that political designers cannot fail to undertake. By sending a delegation to Brazil, the State Department has shown the importance that it attaches to our country. It is a signal of the quality of relations that the State Department would like to have with us. Planalto Palace and Itamaraty should do no less than reciprocate.

Possible Exchange Rate Indexation Denied

PY2008124793 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 19 Aug 93

[Text] The Finance Ministry today released a note denying that the government is making studies for adopting exchange rate indexes or any type of artifice in its economic policy.

The note says that the next implementation stages of the immediate action program provide for strengthening measures that have already been announced. According to the note, Finance Minister Fernando Henrique Cardoso is the only source reporting on economic policy and he reiterates that he has ordered no studies of indexes, freezing, or preindexation.

The note denies a report published by the newspaper O ESTADO DE SAO PAULO, which says that the ministry might be considering the possibility of aodpting the Polish model, which provides for the adoption of an exchange rate index, with preindexation, for a determined period.

The minister explained that the government will not deregulate prices immediately. This measure will be considered only after public accounts are balanced. Minister Cardoso is optimistic and foresees an economic growth for the second half of the year that will surpass that of the first half, which stood at 3.5 to 4 percent.

[Begin Cardoso recording] We are all trying, as everyone knows, to balance public accounts as a precondition for succeeding in the fight against inflation. Everyone is also aware that the government is not willing to accept recession as a technique for controlling inflation. On the contrary, the government is very happy to note that economic activities this year have recovered and we do not see it as an indication of danger or alarm, but as an indication of hope. The Finance Ministry team is ready to continue to fight inflation without imposing unnecessary sacrifices and sufferings on our people, and without increasing unemployment and disorder in the finances of enterprises. [end recording]

The minister said that the next step following the government's victory in Congress yesterday—when the salary policy was approved—is to renegotiate the debt owed by states and municipal districts to the Union. The renegotiation is already under way.

Another government objective is to begin disclosing Central Bank managerial procedures, a process that should start following the approval of the designation of Pedro Malan as Central Bank president.

Army Staff Chief Says Fear of Coup 'Ridiculous'

PY2008203493 Rio de Janeiro O GLOBO in Portuguese 19 Aug 93 p 7

[Text] Brasilia—General Benedito Leonel, Army Staff chief, said yesterday that the fear of the country's militarization is ridiculous and unfounded. Speaking during the ceremony marking the granting of swords to the promoted officer generals, Leonel replied to the criticisms being made against the military, including that the Amazon region issue is being used to justify the Armed Forces' existence.

"Nowadays they are mysteriously disseminating the idea that we are 'making up' the Amazon region issue to justify our existence and that we are trying to strengthen the importance of the force to justify our pretensions of obtaining more resources. Such ideas only try to adversely affect the Army, but we know how to tolerate and administer them," the general said on behalf of the Army Ministry.

He added that there are deceitful campaigns prepared to meet minor and seasonal interests. According to Leonel, the accusations against the Army are made most often by people with political and ideological positions contrary to those of the military.

Air Force Holds Maneuvers on French Guiana Border

PY2108123993 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 20 Aug 93

[Report by Amapa correspondent Emanuel Villaca]

[Text] Brazilian Air Force [FAB] aircraft are engaged in military maneuvers on the Brazilian border with French Guiana. This operation has been mounted to protect the Amazon region.

FAB's Operation Carioe has transformed the small airport of the city of Oiapoque into an improvised military base. Three hundred men are carrying out aerial reconnaissance of the region with 12 Tucano planes. The Brazilian military say that this operation has no relation whatsoever to military exercises by U.S. troops in French Guiana.

Each FAB plane has a machine gun under each wing capable of firing 1,200 rounds per minute. The Aeronautics Ministry has reported, however, that these weapons will be fired only in an emergency.

The air patrol was carried out by two teams. One left Oiapoque to overfly the border area with French Guiana, which is more than 200 km long. The other flew due south from Oiapoque to reconnoiter the sea coast up to 90 km offshore, in the Atlantic Ocean. The mission of these pilots is careful observation, to detect clandestine landing strips that might be used by drug traffickers; to spot gold prospectors sailing up and down the Oiapoque River; and to monitor the movement of ships entering and leaving the country through the same river. Brigadier Eden Asvolinsque, commander of this operation, said:

[Begin recording] This is an extremely rich region, which is very much coveted, and is subject to interests going beyond the control of the country's authorities. [end recording]

Navy Carries Out Antiguerrilla Operations in Amazon

PY2108183093 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 19 Aug 93 p 8

[Article by Marco Uchoa]

[Text] Manaus—The 800 Navy men who have been participating since 16 August in the antiguerrilla training operation in the Manacapuru district, about 100 km from Manaus, are going through a real test of fire to show they are capable of defending the borders of the Amazon at any time. They are mainly fed canned food, which is rationed. Bathing was prohibited during the five days of exercises, which will conclude tomorrow. Every soldier sleeps four hours a night. The combat exercises reproduce the environment of a real war, with the use of mortars, 25,000 rounds of ammunition, about 500 automatic rifles, grenades, cannons, and prisons.

This is the last Navy exercise before the large Sumuru operation scheduled for the second half of September, with 5,000 men from the three branches of the Armed Forces. The Ribeirex Amazona 2 Operation involves nine ships, two helicopters, and small ships covering 60 square kilometers of the Solimoes River. Four ships from the Amazon Fleet, with 350 men, along with riflemen from Rio de Janeiro and Manaus, make up the peacekeeping forces trying to recover the "territory occupied" by the "guerrilla forces." Another 250 riflemen were spread over 20 square kilometers covering Bella Vista, where 500 people live.

The enemy, fewer in number, has three vessels with a crew of 150 men, plus 30 on land. Represented by Marines from Belem, they are in a better position, as they arrived in the region 10 days before the beginning of the dispute, know the forest better, and have won the attention of the populace. "We will try to create situations as close as possible to real ones, in order to force quick and precise decisions," Rubens Perlingeiro said. Perlingeiro is the commander of the group of Marines from Manaus, and is also responsible for the exercises on land. The combatants use camouflaged uniforms and paint their faces with charcoal so as not to be recognized in the jungle.

Five officers remain on board one of the vessels on the banks of the Solimoes River to assess the performance of the two teams. They use maritime maps, mariner's compasses, and reports from the platoons—firing capabilities, amount of ammunition, and attack schedules—to determine the situation of the groups in the game. Jose

Carlos Moutinho dos Reis, commander of the Northern Naval Group, responsible for battle control, explained: "The information is transmitted through radio by the control teams, neutral people in the battle, but who accompany each platoon."

The control group can change the positions of the fighters. "We create situations and verify the behavior of the Marines," Moutinho dos Reis said. When they manage to locate the enemy in the forest or on a vessel, the teams mobilize, prepare their weapons, and set traps. "It is very exciting to participate in a war, even in a simulated one," Marine Nivaldo Bittencourt said. He was thrilled with the arrest of two "guerrillas."

Chile

Silva on Pinochet's Proposal; Fujimori, Franco Visits

PY2108013593 Santiago Radio Cooperativa Network in Spanish 2300 GMT 20 Aug 93

[Text] General Augusto Pinochet forgot a few things, Foreign Minister Enrique Silva Cimma said today in answer to a question about Pinochet's proposal for greater military participation and advice to the Executive and Legislative Branches, putting emphasis on foreign relations.

Silva Cimma said the speech by Gen. Pinochet in inaugurating the Army Month activities is being evaluated with great interest by the ministry:

[Begin recording] He forgets a few things. He did not mention that the minister has an advisory council in which all the chiefs of staff and the chief of the Joint Chiefs of Staff are represented. The foreign minister has an advisory council and I call the council when important issues must be discussed. Top Armed Forces members are represented on the council. Therefore, it cannot be said that it is necessary to create a system that already exists at the right level. Furthermore, when important problems have emerged we have discussed it with the council. [end recording]

Silva Cimma added that Pinochet is not proposing something spectacular in relation to what already exists. He said that when there are important matters in the Foreign Ministry related to the Armed Forces, the ministry talks directly with them.

Regarding another subject, Silva Cimma confirmed that the visit by Peruvian President Alberto Fujimori to Chile will be postponed:

[Begin recording in progress] ...because it is possible that the presence of the foreign minister in Congress will take longer than expected. The postponement is within the framework of a very positive context. I would like to reiterate that the president's visit will be postponed for a very brief time. The idea was for him to arrive in the first week of September. His arrival will be postponed because—as I was told by the Peruvian foreign minister, and he is right—several projects are being approved. The congressional committees are meeting with several government officials to get their views first. But Peruvian officials have told us they are very optimistic on how things are going. [end recording]

Silva Cimma also said there are no problems for the visit by Brazilian President Itamar Franco during the Independence Day celebration. Silva added that President Franco never said he would not come; there was only a bad translation from Portuguese into Spanish on the issue.

The controversy about Franco's visit to Chile emerged as a result of the expression of concern by the Brazilian Government in the face of the torture charges made by Brazilian sociologist Tania Maria Cordeiro, who is under arrest in Chile.

Colombia

Pardo Says Medellin Cartel 'Virtually Dismantled'

PA2008144393 Paris AFP in Spanish 1756 GMT 19 Aug 93

[Text] Santa Fe de Bogota, 19 Aug (AFP)—Colombian Defense Minister Rafael Pardo stated on 19 August that the Medellin cocaine cartel has been dismantled and that its military structure is devoted only to protecting drug lord Pablo Escobar. He said that the cartel only has a small share of the business.

In statements to a Colombian televised program, Pardo said that at this time, Escobar—who is the main target of President Cesar Gaviria's government and of the Armed Forces—"is a man who cannot control the market of prohibited drugs and cannot threaten the country's security."

Minister Pardo, who has been defense minister for two years, noted that Colombia "has managed to attain a situation quite different from that which existed in the worst era of narcoterrorism." He said drug trafficking at the international level has increased, as have the number of consumer countries. He explained that in this light "the participation of activities on Colombian territory has waned relatively."

Regarding the reality of the so-called Medellin Cartel, he said that owing to the consequences of its terrorist action, "it has been confronted strongly by the authorities, the police, the courts, and the prosecutor general." Pardo announced that it could be said that the Medellin Cartel "is virtually dismantled as far as its armed capability is concerned," adding that "it has lost men, some of who have been killed and others sent to prison. It has lost its capability to move and deploy its men." He did not dismiss, however, that Escobar is still linked with

drug trafficking "although at a very low level." He said that it is an organization for the protection of the drug lord.

Pardo emphasized that "the reality of drug trafficking is quite different today, compared to the past when drug trafficking had a marked effect on Colombian democracy and caused extensive damage, as was the case 15 or more years ago when it was at its peak."

The defense minister said his ministry's principal objective is to "pursue Escobar, capture him, turn him over to the justice authorities, and confine him to prison so that he can then be tried."

Counterinsurgency Battalions Dismantle FARC Front

PA2208030493 Santa Fe de Bogota EL TIEMPO in Spanish 18 Aug 93 p 8a

[Excerpt] During two months of operations, the Arhuacos and Cordova Counterinsurgency Battalions have virtually dismantled the 19th Revolutionary Armed Forces of Colombia [FARC] Front, which had been active for 13 years in the Sierra Nevada of Santa Marta.

This was reported by General Rodolfo Torrado Quintero, commander of the Army's 1st Infantry Division, based on the voluntary surrender of 33 FARC members, the capture of eight, the evacuation of the farms they occupied, and the seizure of four vehicles, motorcycles, and abundant military and communications material.

The officer said that all these operations have allowed the Army to regain the credibility of citizens and to exercise control over the Sierra Nevada region where the FARC engaged in kidnappings, extortion, assassinations, and attacks on coffee plantations and cattle farms. [passage omitted]

* Influence of Gaviria Adviser Silva Discussed

93SM0375A Santa Fe de Bogota SEMANA in Spanish 27 Jul 93 pp 30-34

[Text] His day begins a little after 0800. The matters to be dealt with are varied and his schedule is crowded. He will coordinate the Security Council, meet with a dozen or so parliamentarians, review the text of the draft television law, talk with a fair number of the ministers, preside at a session on the awarding of the cellular telephone contract, decide on a couple of appointments, and arrange a meeting with the head of the Liberal Party.

This, which would appear to be the daily schedule of President Cesar Gaviria, is in fact a routine day for Miguel Silva Pinzon, the secretary general of the Office of the Presidency. He is a [uniandino] lawyer, 31 years of age, who just five years ago was managing the small but successful bar he owned on Bogota's exclusive 82d Street. He was also the organizer of some of the most spectacular Spanish language rock concerts of that era with the capital of the country beginning to emerge as the center. Many people still remember this young man from a bourgeois family background but with the antiestablishment attitudes. He worked behind the bar in his establishment, which was called Cassis, and stayed up late philosophizing with his customers and friends.

How did the very dramatic change that transformed this young and bohemian boy into one of the most powerful officials in the country come about? The answer is to be found in journalism, an activity in which Silva engaged briefly, between 1988 and 1989, before becoming the "image adviser" for Gaviria's presidential campaign. During those two years, Silva was the political editor of the recently established daily newspaper LA PRENSA owned by the family of former President Misael Pastrana. Curiously enough, this is the journal that nowadays is most ferocious in its attacks on Gaviria's government.

Points in Common

It was precisely as a LA PRENSA editor that Silva came to know Gaviria. During a lengthy interview for the Sunday edition, Silva and Gaviria, who at that time was minister of government, discovered that they shared many enthusiasms. Apart from their mutual interest in politics, one as a leader and the other as a journalist, rock music, one of the current president's great passions, came up. The two men got along so well that from then on, the relationship between the journalist and his interlocutor developed into a close friendship.

Since Silva often called Gaviria, on any day of the week, to consult him as a source of information about the government and politics, it was not surprising that one Saturday, the two met to exchange cassette tapes of recordings by such classic rock groups as The Doors and Pink Floyd, as well as others, much less well-known but in the vanguard. On at least a couple of occasions, Silva and Liliana Trujillo, who was his fiancee at the time, invited Gaviria and his wife, Ana Milena, to attend a live concert, and in this way, the relationship between the journalist and the minister soon moved beyond the realm of politics and journalism.

Gaviria, a rather timid and reserved man whose friendships in the country's capital were few and who spent his free time at home with his children, or playing tennis with Ana Milena, found in Silva a friend who soon became an adviser. Silva was one of the first to take up with Gaviria the subject of his political future and his presidential potential, and that was at a time when the field of precandidates was dominated by Carlos Galan, Ernesto Samper, and Hernando Duran.

By 1989, after Gaviria had endorsed Galan's campaign, and some months after the latter was murdered, he viewed Silva as the obvious choice to succeed Galan as the individual in charge of press and media affairs during his own precandidacy. In September of that year, and at a time when Silva was preparing to leave LA PRENSA to become the political editor of EL TIEMPO,

Gaviria offered him the campaign post, and Silva felt compelled to withdraw from the agreement he had reached with the Santos family.

Although he is not the only adviser under 30 years of age the liberal candidate recruited during his campaign, his close relationship with, and undeniable influence on Gaviria never left any doubt that Silva was—as he continues to be—the senior member and the most dedicated of the students in this group, which months later, the cartoonist Osuna was to dub "the Casa de Narino children."

Contemplation and Poetry

President Gaviria is not a man easily deceived. This has always been true. However, a few months after beginning his friendship with Silva, he discovered in this man some virtues he valued as especially useful when it came time to take over the precandidacy in the Galan sector of the liberal movement.

This presidential hopeful saw in this journalist an individual who, although he lacked experience in the political sector, knew a majority of the congressmen as a result of his journalistic work, and had learned to understand and interpret their behavior. In addition, Gaviria appreciated the objective judgment and thoughtfulness his young adviser evidenced when it came to analyzing a problem or advising him to make a given decision. And finally, the candidate put Silva's literary capacities to good use, giving him the responsibility for the majority of his campaign speeches.

The writing of speeches was at first a foreign and, if you will, traumatic experience for Silva. Although he was no stranger to typewriters and computers, the fact is that he had never before dealt in the language of communiques, statements, and speeches, either in his years as a journalist at LA PRENSA, or as a poet, which he had always been. These activities, although he did not abandon them, nonetheless had to yield to the need to produce similes and metaphors for Gaviria's incipient oratory. The greater portion of the ideas and phrases that have characterized Gaviria's speeches since 1989 can be attributed to Silva. Slogans like "welcome to the future" and the statement that the 1991 Constitution should be the "navigational chart for the 21st century," as well as many other highly praised phrases in the president's speeches, were coined by Silva.

Controlling the Strings

But in addition to the above, and as time passed, Gaviria found Silva to be an individual who without failing to say what he thought or abandoning the pursuit of the goals he set for himself, could move forward without creating enmity or causing wounds along the way. This ability proved particularly useful when Silva became the private secretary in the Office of the Presidency. In that position, he made his office a resource for anyone who wanted to meet with the president but had been unable to do so, and everyone who needed to set forth a problem of a certain importance that he had not been able to resolve through any other public office.

But Silva's responsibilities expanded considerably with his appointment as the new secretary general of the Office of the Presidency last January, when the man holding that position, Fabio Villegas, was appointed minister of government.

From that time on, Silva began to accumulate many positions and responsibilities, to the point that it is no exaggeration today to compare his control of major administrative affairs with that enjoyed in the past by such personages as Rafael Naranjo Villegas, in the Pastrana administration; Diana Turbay, in that of her father; Bernardo Ramirez, in the Betancur era; and German Montoya, in the Barco administration.

Those familiar with the internal functioning of Gaviria's government know that many extremely important decisions made by the current administration have been the result of campaigns initiated or supported by the senior member of the group known as "the Casa de Narino children." The most recent proof of this influence is seen in the decision, promoted from the beginning by Silva, that the most delicate of all of the choices the government will have to make in its final year in terms of its relationship with the private sector—the awarding of the cellular telephone bid—should be determined by an auction. The participants in this bidding will include groups made up of the most powerful economic conglomerate in the country and the leading media establishments. Initially, the government seemed inclined to make the award on the basis of financial, administrative, and technical qualifications, by means of a kind of merit competition. But it soon became evident that an award based on merit might earn for the government, and for the president himself, the eternal enmity of those adjudged unqualified. Using the argument that this would not happen with the auction procedure, since it is a plainly visible mechanism that avoids the appearance of the subjective criteria that are precisely those that create enmity, Silva persuaded the chief executive and the treasury and communications ministers (with whom he sat on a committee that considered the issue) that this was the best way, the least tortuous.

This is just one example of Silva's influence. Another issue in the telecommunications sector with which he is heavily involved is the controversial draft television law. When a crisis developed some weeks ago in the process of developing a consensus among the senators on the Sixth Commission, the programmers, and the minister of communications, the president sent Silva to a summit meeting in Santa Marta, where his intervention got the process moving again.

And there is more. No one played a more decisive role in determining the makeup of the last cabinet in January of this year than Silva. It is a role he will play again in a couple of months, when what may possibly be the last cabinet crisis in the Gaviria administration develops.

The fact is that since he took office, the present secretary general has been the chief executive's interlocutor and confidant par excellence when it comes to making major appointments, cabinet appointments in particular.

But his work does not end there. Because of Gaviria's tremendous confidence in him, the secretary general has been put in charge of the handling of the delicate problems of the chief executive's siblings and in-laws, who have been accused by some journalists and opposition political leaders of taking advantage of their relationship to the president in various activities and businesses.

Silva must also maintain close relationships with the members of Congress in order to know what they expect, what they want, and what is upsetting them. He must also stay close to the most representative leaders of the trade unions and the private sector. The heads of the most important economic groups in the country deal with the government through Silva. This is also true of the trade union directors and presidents. One of those who must stay in touch with Silva with a certain regularity is Sabas Pretelt, the president of the FENALCO [National Federation of Businessmen]. When SEMANA asked him about the secretary general, Pretelt said that "Miguel is the embodiment of the modern concept of the state. He is an example of the government official who is neither complicated nor distant, who is always ready to help, and who is above all, profoundly loyal to his leader. Wherever I go, I hear similar comments about him."

In short, the young secretary general is in a way the point at which Gaviria's most personal affairs and his relations with the most highly placed state officials, politicians, and leaders of the private sector come together.

The power he has acquired, combined with his youthful age, might awaken the blindest kind of jealousy—even among other highly placed state officials, as well as ministers. Being one of the "children," being very close to the chief executive, and being involved in the work of a number of ministries—none of these aspects of his situation are pleasing to everyone. On the contrary, they would in almost all cases create ill will, friction, and envy. However, for some reason seemingly related to his temperament and the friendly and cordial way in which he uses his influence, Silva rarely provokes these adverse reactions. "The truth is." Minister of Mines Guido Nule told SEMANA, "that Silva is not at all childlike. He is much more mature than many people I have known in high positions—people who have been there 10 or 15 years." A liberal senator from Antioquia who preferred not to be identified confirmed this view, for his part, although from a more critical angle. "When I go to Miguel's office, I am welcomed, I voice my complaints, I am heard, and I am sent on my way in equally amiable fashion, with my hands as empty as when I went in. The fact is that in the final analysis, it is impossible to fight with a person like him."

The youthful face of Silva, who is more nearly the symbol of the generational renewal than anyone else, cannot fail to surprise those who met with the experienced German Montoya only three years ago. It is clear that not everyone is pleased with the appointment of these young people to such high positions. Just as Lopez Pumarejo was criticized for appointing to ministries and secretariats illustrious individuals who were unknown at the time, Gaviria has been attacked for promoting a similar renewal in recent years. However, the unpopularity of the "children" in some circles is not reflected in the surveys. A recent survey by Napoleon Franco indicates that two-thirds of the citizens of Colombia approve of Gaviria's appointment of young people to high administrative posts, even when the word "children" is mentioned to them. Additional proof of the fact that the generational renewal will continue in the coming years is the fact that 10 months after the presidential elections, it seems clear that the Colombian voters will choose either Ernesto Samper, 43, or Andres Pastrana, 39, to succeed Gaviria.

What About the Future?

In the light of all of the above, one might well wonder what the future of a man who has achieved what Silva has by the age of 31 might be. Anything is possible, in at least two sectors—journalism and politics.

As to the former, Silva already has many doors open to him. The experience he has gained in four years of government, linked with his writing ability, his recognized good judgment, and his years in journalism, have led and will certainly continue to lead many owners of media establishments to think of this favorite student among the "children" as a candidate for editorial posts with newspapers, journals, or magazines. And it should not be forgotten that thanks to what the experts call his "telegenic" quality, Silva has already refused several offers of a position as the anchorman of a televised newscast.

And although some of those who know him are inclined to dismiss the likelihood that he would be tempted by proselytizing activities, the truth is that his prospects in the political sector are rather encouraging, as well. Silva has already become the chief executive's unchallenged political heir. This, taken together with the fact that the current president will without a doubt be a very powerful man in his party in the coming decades, justifies the expectation that the possibilities for Silva in this realm will be great. Colombia has remained a country of hereditary heirs, and Gaviria's own children are still very small. It would therefore be no exaggeration to say that the secretary general will in some way be Gaviria's dauphin in the coming years, and when a future incumbent president needs to fill a cabinet post in his administration from the Gaviria faction, Silva will come to mind as his first choice.

* Commission Report on Police Reform Reviewed

93SM0368A Santa Fe de Bogota CROMOS in Spanish 16 Jul 93 pp 32-33

[Text] **Moving Carefully on Changes in the Police**

The reform of the police requires "multiple, complicated negotiations." So says one of the members of the consulting commission for overhauling this institution.

This assertion seems to have been proved by the ping-pong match that the transfer of General Oscar Pelaez Carmona has become. His differences with the mayor, Jaime Castro, and with various civic groups, among them the residents of the Gorgonzola industrial district, are a fact. But differing accounts arose when he was relieved. Showing an apparent esprit de corps, police generals questioned the move, which Defense Minister Rafael Pardo Rueda reaffirmed in recent days.

Some sectors of the Armed Forces feel that it makes no sense for senior police officials to remain in their posts after developments such as the escape of Pablo Escobar, the protracted search for him, the mistaken charges of terrorism against innocent citizens, and the deaths of several civilians at the hands of men in uniform. One colonel told CROMOS in this regard that unlike police generals, "Army generals are indeed scapegoats."

Others suggest that the top echelon of the police has job security also because of their international connections as "liaison officers" with the DEA [Drug Enforcement Administration] and other police groups around the world. The fact is that two months after the commission to overhaul the institution was established, the country is seeing the functions of the military and the police muddled and an incipient modernization of the latter. CROMOS has seen the report that the commission submitted and herewith reprints some of its most disturbing sections:

- "The National Police is established by the Constitution as an armed civilian body that must be organized, administered, and controlled in such a way that its two fundamental characteristics (that it is armed and that it is civilian) are neither impaired nor distorted but are, rather, responded to at every moment of its activities. The police is not a body of government employees similar to the ones that provide public utilities; nor, however, can it be regarded as the fourth branch of the Armed Forces."

3.1 The Police. Extent and Nature of a Crisis.

- "A country's armed services are an extension of its society. Failures, decadence in ethical values, widespread corruption, the shattering of national harmony, and a breakdown in law and order undermine the foundations of society.
- "When the citizenry loses confidence in the police, it becomes isolated and turns increasingly inward. The demoralizing of the majority who are not involved in unlawful acts produces a sense of frustration and powerlessness that leads to two courses of conduct: Indifference about the corps, given the fact that their personal efforts and their discharge of professional duties do not suffice to redeem the institution. Also, their individual behavior does not spare them from the pall of suspicion and mistrust that has been cast over the institution at large.
- "An examination of the structure of the police force reveals major efforts to maintain and further develop a high level of professionalism in the performance of its duties. Nevertheless, the police suffers from a series of problems that can be summarized as follows: inadequate ethical training for cadets in the three hierarchical categories: officer, noncommissioned officer, and agent; inadequacy and lack of dynamics in top-down control; a proportional shortage of officers at subordinate levels (junior and noncommissioned officers) to directly command and control service personnel.
- "The corps itself is overloaded with functions and, thus, work....
- "There is a false esprit de corps...so as not to be untrue to a misunderstood team spirit, offenders and at times criminals are protected....
- "This same failing induces commanders who do not have a sufficiently clear idea of professional ethics to conceal improper actions by members of their organization so as not to tarnish the prestige of the corps."

3.7 Civilian Society's Perceptions of the Police

- "When the two officials, the civilian and the police, achieve a degree of understanding and realize how they can develop relations with marginalized communities, the attitude of the population that might be opposed to the police changes radically to open cooperation and sympathy where there used to be hostility and rejection.
- "In any event, to a greater or lesser extent depending on the place, neighborhood, and community, the following opinions and attitudes about matters that require correction were heard:

—"The police tolerate crime in exchange for a piece of the action or tax, this being most evident in the drug business.

—"The personnel attached to the CAI's [Immediate Attention Centers] do not respond to calls, claiming that they cannot leave.

—"Plainclothes police have formed gangs that hold up people and steal vehicles.

—"Policemen see the service as a way of getting rich quick.

—"The police use unnecessary violence, even in cases of unconfirmed suspicions. They often ignore the rights of citizens and the bounds of their own authority.

—"The proliferation of private security agencies is due not only to the quantitatively inadequate police service but also to mistrust of the institution.

—"Police failures and violations are not reported for fear of retaliation."

Ecuador

President Confirms Good Relations With Russia

PA2208220593 Paris AFP in Spanish 0100 GMT 20 Aug 93

[Text] Quito, Aug 19 (AFP)—Ecuadoran President Sixto Duran-Ballen denied in Quito today, that he had given his word to sign a contract with a Russian firm, which was to associate with the state-owned Ecuadoran Aviation Company [Ecuatoriana de Aviacion].

According to Russian Nuvoco firm representatives, they trusted the president's word and started to make the necessary investments to purchase six Tupolev airplanes, which are valued in more than $540 million, to operate together with the Ecuadoran Aviation Company.

The government, however, decided to form a mixed firm called Ecuadoran Aviation Company S.A. [Ecuatoriana de Aviacion S.A.]. Trancredo Corral, the president of the new company, announced that he did not have any document on his desk referring to such a contract.

The contract, however, was at the Attorney General's Office where it was being studied.

Duran-Ballen clarified that Nuvoco had presented "an acceptable proposal" but insisted he did not promise to sign any contract.

According to the negotiations with the previous Ecuadoran Aviation Company administration, Nuvoco was to furnish the Tupolev planes, the Ecuadoran company would exploit its air routes, and 40 percent of the gross income would be given to the Russians.

To clarify any possible ill feeling, Ecuadoran Foreign Minister Diego Paredes and Russian Ambassador to Quito Mikhail Emelianov issued a joint communique to report that bilateral relations were excellent. The officials also stated that their relations will not be tarnished if the agreement is not signed.

Now, the new Ecuadoran Aviation Company S.A. awaits private capital and is renegotiating an agreement with the European Airbus consortium. Months ago, Airbus seized two Airbus A-300/310 [from the aviation company] for nonpayment of its six-month stipends and initiated the firm's crisis.

As the domestic TAME military airline could not continue leasing its airplanes, the Ecuadoran Aviation Company S.A. made a temporary agreement with the Costa Rican LACSA airline to lease their aircraft and, thus, continue to cover its routes.

* Haiti Sanctions, Peru's 'Democracy' Assessed

93SM0377A Guayaquil VISTAZO in Spanish 1 Jul 93 pp 12-13

[Interview with Foreign Minister Diego Paredes by correspondent Carlos Jijon in Quito; date not given—first paragraph is editor's introduction]

[Text] Minister of Foreign Relations Diego Paredes, who is ironically described by his critics as the living image of Garcia Moreno, and who is a political relative of President Duran Ballen, is regarded as one of the most influential men in the cabinet. On his return from Nicaragua, where he presided at a session of the Organization of American States (OEA) at which an oil embargo against Haiti was approved, Paredes talked with VISTAZO about the recent OEA measures and the problems in the negotiations with Peru.

[Jijon] Do you believe that the OEA will achieve something in Haiti?

[Paredes] The situation in Haiti is painful and has been going on a long time. The socioeconomic reality there is sad. This is due in large part to the crisis the country is experiencing in trying to govern. But the constant attitude of the OEA has been one of rejection of the dictatorship that overthrew President Aristide, and the measures it has adopted represent very important steps.

Two years ago the Santiago Declaration established the obligation of the OEA and the member nations to safeguard democracy. Last 15 November, major amendments were made to the OEA Charter, creating the obligation for all the states to react immediately, in a timely and firm fashion in defense of democracy. Finally, at the recent meeting in Nicaragua, resolutions of great value and force were adopted. An oil embargo and the suspension of air flights to that part of the island were approved. This position has been endorsed by the United Nations, and the Security Council has approved the embargo and expanded it to include weapons. It is to be hoped that the de facto government will find itself forced to talk with the negotiator of the United Nations and the OEA, Mr. Dante Caputo.

[Jijon] Based on the past, it would seem that the OEA will not be so effective. In Peru, Fujimori destroyed the constitutional system and continues on his merry way.

[Paredes] Everything must be judged within its own context. We cannot fail to recognize the two major threats Peru is experiencing—the drug traffic and terrorism. These were very special circumstances that led Peru into a grave crisis. Events occurred, and the OEA took action. The elections in November of last year were held in a free and democratic fashion. In December, the OEA closed the Peruvian case, because not only had democracy been reestablished, but it had been strengthened as well.

[Jijon] A strong regime is developing in Peru in the style of Ferdinand Marcos—a civilian authority supported by the Army, which plans to perpetuate itself through reelection.

[Paredes] Each country has its own characteristics. The delicate situation existing in Peru requires a strong president who can act democratically, but also in timely fashion.

[Jijon] To what extent is our "para rato" perception of Fujimori altering the strategy of Ecuador with regard to the boundary problem with Peru?

[Paredes] We believe that the best kind of relations we can maintain with Peru will benefit both countries. We are trying to maintain the best possible relations with President Fujimori. We will continue the dialogue in an effort to bring the positions of our two countries closer together, in order to find a just and realistic solution to the territorial problem, taking the reality in the two countries and the just claims of Ecuador into account.

[Jijon] Since President Borja proposed papal arbitration, and President Fujimori countered by proposing an expert analysis, there has been no progress in the negotiations.

[Paredes] These proposals are important factors. Therefore, the government of President Duran Ballen favors dialogue as the mechanism for bringing the parties together in a search for two things—the atmosphere required for a solution to the basic problem and the solution itself.

[Jijon] Fujimori offered to give Ecuador a free zone along the Maranon. Has there been some progress in this connection?

[Paredes] We are giving this proposal valid consideration. But what Ecuador needs is an overall solution taking its Amazon interests into account. One path to this end would involve having a port in Amazonas, but this is only one part of an overall solution.

[Jijon] Is it possible that we will obtain boundary agreements with Peru like those recently concluded with Bolivia and Chile?

[Paredes] The agreements Peru has concluded with Bolivia and Chile represent very important steps that point the way for us along the path via which America will very soon succeed in ending all the conflicts.

[Jijon] When will Duran Ballen travel to Lima?

[Paredes] We are making very careful preparations for the trip so that it will ensure progress in the negotiations. We have not yet set a date, but we are working especially hard so that the visit can take place before the year ends.

[Jijon] Fujimori has already come here three times. First, Duran Ballen said he would go at the beginning of the year, then after the middle of the year, and now you say before the end of the year. Why is this so difficult?

[Paredes] It is not that it is difficult. Each trip has its own rhythm and circumstances, and we are working to be sure that the proper circumstances exist.

Paraguay

President Wasmosy Discusses Mercosur

PY2008213093 Asuncion Cerro Cora Sistema Nacional de Television Network in Spanish 1100 GMT 20 Aug 93

[Interview with Paraguayan President Juan Carlos Wasmosy during "In Plural" program hosted by journalists Pepa Kostianovsky and Jose Antonio Bianchi at the Lopez Palace in Asuncion—recorded on 19 August]

[Excerpts] [passage omitted] [Kostianovsky] We would like you to tell us what will happen in areas such as education, health, and with the Common Market of the South [Mercosur]. It has been said that President Wasmosy forgot all about Mercosur in his inaugural speech. I cannot believe that.

[Wasmosy] I did not forget about it.

[Kostianovsky] It was the Uruguayan press that said that.

[Bianchi] Yes, the Uruguayan press carried that report.

[Wasmosy] I did not overlook it. Maybe we should watch a recording of my inaugural address.

[Kostianovsky] President Wasmosy will now tell us—in addition to his plans in the areas of health and education—his thoughts on Mercosur.

Regarding education....

[Bianchi, interrupting] In the first 100 days of your government, what actions will be taken?

[Kostianovsky] President Wasmosy, since the beginning of your electoral campaign you voiced deep concern about delays in implementing educational programs. We have recently heard reports that there are no funds for educational reform next year, that the money allocated for this project was used for another project. How much truth is there in all this? Are there funds for education?

[Wasmosy] There will be funds.

[Kostianovsky] Please tell us how much and for what project.

[Wasmosy] The ministries of education and worship, agriculture, and health will be the most privileged ministries within my government. The Public Works Ministry has already funds granted by the Inter-American Development Bank and by the World Bank and all we have to in this latter area is to provide counterpart funds.

There have been allegations that I failed to mention Mercosur in my inaugural address. I consider this allegation untrue. Video tapes and audio recordings of my speech show that I clearly stated that we must create institutions to legislate and to judge the behavior of member countries, to prevent the establishment of systems that would benefit one country to the detriment of another. Thus, who will punish that country which infringe or violate the rules of the game if the rules of the game do not exist? Perhaps this position may bother some, but as part of an integration process that is already at an advanced stage—because much progress has been made— I believe we cannot talk about integration until we are able to coordinate our macroeconomic policies. But no one should despair. It took Europe 40 years to do this.

[Kostianovsky] Mr. President, can we think of coordinating macroeconomic policies at this time when the four Mercosur member countries are experiencing different realities. For instance, Argentina is now enjoying stability; Brazil has rampant inflation and is subsidizing its production and exports. Paraguay is in the middle. Thus, we may wonder what are we going to look like, to....

[Wasmosy, interrupting] Well, let us take one step at a time. This is what I just said. No integration can be achieved under Mercosur if the member countries do not coordinate their macroeconomic policies. That is obvious.

[Kostianovsky] Is that coordination feasible, Mr. President?

[Wasmosy] I do not think it will be feasible by 1995. I wish it could happen. We will never say it cannot be done. We must try to move toward this goal as much as possible. Yet, the way things are now, I see think it will be difficult.

I have always said I would like to see the Brazilian economy improve the way the Argentine economy is improving. Thus, we would be able to sell beef and other products to Brazil. For instance, if Brazilians could afford to eat beef one more day per month, that alone could absorb the production of all Paraguayan livestock farms, as well as our production of rice, and corn, etc. If the purchasing power of Brazilians improve, they will buy more from us. [passage omitted]

[Kostianovsky] You have made a number of trips and contacts abroad as the Paraguayan president-elect. You have always expressed the need for our country to increase its exports. Do you believe the Paraguayan foreign service will be active in trying to find new markets for our products?

[Wasmosy] I believe that is the main task of our foreign service. In some countries our diplomats will have to give a political approach to their mission, but in most countries their mission will be to promote mutual interests. Thus, it will be their mission to determine what the international market demands and where we can participate more effectively. [passage omitted]

[Bianchi] Press reports over the past few days have shown that negotiations are under way regarding the possible creation of council of advisers, including representatives of the opposition or even of other sectors of society. This would be in addition to the list of presidential advisers you have already announced. Is there something to this or is it just wishful thinking?

[Wasmosy] That report is true. We want representatives from various political and socioeconomic sectors. Perhaps one representative of the media could also serve on this council. This team will evaluate the government's performance. It will criticize and alert the government to problems that cannot always be seen, not because we are trying to hide something, but because things are often misinterpreted. This team will play a critical role. It must tell us: Gentlemen, look, this is wrong and it will have that effect. The team may also ask us why we implemented a particular measure and thus take the appropriate corrective actions. [passage omitted]

Finance Minister Outlines Economic Program

PY2108225993 Asuncion Cerro Cora Sistema Nacional de Television Network in Spanish 1423 GMT 20 Aug 93

[Speech by Paraguayan Finance Minister Crispiniano Sandoval at Government House in Asuncion; live]

[Text] A few days after taking over the great responsibility of implementing the economic policy measures and regulations for the transformation of our country's productive sector, the national economic team has the duty of reporting to the public on the current economic and fiscal conditions, and on the strategy to be adopted to overcome stagnation.

This presentation of the implementation program of the economic policy of President Juan Carlos Wasmosy will not exhaust the subject. Instead, it sets in motion a process of permanent analysis of the complexity of the economic policy.

The government of President Wasmosy has instructed the national economic team to adopt measures and report on them to the public and to economic agents with as much transparency as possible.

I will first make a macroeconomic diagnosis of our country. Our country has undergone major changes in the past four years. The economic authorities of the previous government have made considerable efforts toward liberalization and transformation of the economic system, which had been marked by excessive regulations and state intervention.

The free, fluctuating exchange rate system, and freely established interests, set by market variables have been

outstanding changes. The taxation system has improved with the simplification of the tax structure, while revenues have increased.

Despite the lack of coordination in the implementation of macroeconomic policies, guidelines have been designed toward a market economic system. The economy should now be adjusted as necessary, correcting delaying factors, in order to begin promoting sustained economic development that should equitably reach all social classes.

In recent years, the economy showed signals of decline, with increasing poverty indexes. Economic growth dropped from 3.5 percent in 1990 to 2.5 percent in 1991 and to 1.7 percent in 1992. Inflation indexes, which stood at around 12 percent in 1991 and 18 percent in 1992, reflect a drop in internal demand levels rather than the effects of monetary austerity.

The low inflation rates revealed remarkable asymmetry with respect to the big increase in the issuance of money, which ran at 30 percent in 1991 and at 36 percent in 1992. Such issuance has not been totally justified by the increase in demand for money by economic agents.

High interest rates also reveal the inflationary expectations prevailing in financial activities and in economic agents, in view of the expansion of the means of payment.

The speed of growth of savings deposits in foreign currency, which reached $500 million, is also a signal of the cautious skepticism on the currency. Even though this index can be partially justified by the atmosphere of political uncertainty that prevailed from the end of 1992 until the last elections, one cannot fail to consider it as a worrisome index.

Unemployment and underemployment have increased in recent years. Even though crops have recuperated in 1993, the vulnerability of the economy and unemployment have intensified under the burden of foreign competition, which has become stronger with the internationalization of the world economy and with the growth of commercial blocs.

Concerning the budget, strong delays have been registered in the provision of funds for the expenditures that were authorized by law, because scheduled public spending has surpassed the calculated income.

On 13 August 1993, fiscal revenues amounted to 47 percent of budgeted income for this fiscal year, including the funds coming from the Itaipu binational entity.

On the same date, public spending barely reached 40 percent of budgeted expenses. Public expenditures reflect a strongly rigid budget structure, in which public investment amounts to only 6 percent, while current expenditures in salaries, services, and transfers amount to 94 percent. No lasting economic development can be achieved with such low public investment.

Another index that reflects low public investment levels is that upon completion of more than half of the 1993 fiscal year, only 5 percent of the funds that were budgeted with foreign financing have been used.

It should also be noted that the new government has inherited a huge public debt, which is registered in central bank books, which grew from 266 billion guaranies in 1991 to 1.4 trillion guaranies, of which the central government accounts for an increase from 77 billion guaranies to approximately 1 trillion guaranies. The rest corresponds to the debt owed by autonomous agencies and state enterprises.

These indicators show the difficult situation of public finances, among other regressive indicators of the state administration, such as the proliferation of bureaucracy, the inefficiency of public management, and the deterioration of the functions of some government organs.

The macroeconomic profile of the country is characterized by a suffocation of public finances and a distortion of the monetary equation that were mainly caused by the cash payment of the foreign debt of about $700 million disregarding the option of an advantageous renegotiation of the debt in the long term.

Regarding this method of treatment of the foreign commitments, the new administration advocates a different criteria. Even though the foreign debt dropped to $1.25 billion, the money regulating mechanism has been altered as a result of the large sale of foreign currency to the government without the compensation in guaranies.

The technical international reserves decreased considerably to $600 million which lead to a reduction of the net available foreign currency of the Central Bank to $240 million. This had a repercussion on the ability of the international monetary reserves to take care of the commercial, financial, and exchange contingencies.

In the financial field, the reforms of the Central Bank charter and Banks Law continue to be disregarded. The financial market continues to have an orthodox structure of primary intermediation with a high short-term financial operation. The transformation of the economic base is subordinated to the ability of the banks to appropriate funds to finance investments but organically the banking system lacks the appropriate instruments to provide credits in the medium and long term to the productive sectors.

The previous government tried to implement a program of monetary stabilization to encourage investments and employment but this effort lacked the complementation of credits to the productive sector that would allow a sustained development and a solid macroeconomic stability. Not enough financial instruments were used for medium and long-term financing.

In sum, the economic and financial picture of our country reveals a situation of backwardness that requires corrections to palliate the deterioration of the economic

growth rate and to fight unemployment. The fiscal sector has a hesitating behavior with a rigid budget structure and a complex tax regulation system despite the 1991 reform.

The monetary stabilization program must be carefully administered to neutralize the effects of subsidies, payment of the foreign debt without the compensation in cash flow, liberation of deposits, and increase of the public debt.

In the external sector, a large outflow of net capital has taken place under circumstances when our country needed to encourage the coming of capital. The balance of payments has been negative and the international reserves have decreased to critical levels. It is necessary to preserve the basic functions of the currency as the instrument of payment, of exchange, and of savings to encourage long-term investments. Otherwise the effort to give the currency other functions no matter how respectable the sectorial proposals are will end in destroying the harmony of a healthy economy.

After making this diagnosis of the economic and financial situation of our country, I would now like to refer to the implementation of the economic, fiscal and financial policy and program of the government of President Juan Carlos Wasmosy.

The guidelines of the economic policy of the government of President Wasmosy advocate the full enforcement of the market economy but taking safeguarding mechanisms and social compensation for the poorest and most vulnerable sectors. In order to sustain the consolidation of an economy of competition, the government will implement a general budget of balanced spending and a tax system to stimulate the creation of companies. It will fight inflation, and it will respect the free play of the exchange rate established by the market. It will also establish low and uniform custom house tariffs, it will keep a minimum vigilance on prices, it will watch over for the equality of access to capital of all sectors, and it will encourage the movement of interest rates to stimulate national savings and medium and long-term investments.

Production and commerce will be regulated by the mechanisms of the market in a framework of loyal competition in which the prices of goods, services and money will be established by the free play of supply and demand. The transfer of state companies to the private sector will be intensified, national and foreign investments will be encouraged which will be protected by appropriate laws and by bilateral, and multilateral agreements. Imports and exports will be free and there will be no restrictions on the movement of capital. The private property rights will be defended in all their forms and emphasis will be put on the deregulation, debureaucratization, and the faithful fulfillment of international law and principles.

An active participation in the negotiations of the Mercosur [Common Market of the South], ALADI [Latin American Integration Association], GATT and in other organizations will be carried out by making sure that the national interests are reflected in the policies of regional and international integration. An effort will be made in the transformation of the productive structure, mainly in the organization of the production of the primary sector with programs including the increase of production in the agricultural and livestock sectors, the diversification of production, and the promotion of the industrialization of agricultural products. The subsidiary work of the government to promote production will also be centered on the creation of an adequate physical infrastructure.

To that effect, the government is going to do its utmost to implement investment schemes so as to provide the country with a network of railways and waterways, modern communications, adequate and suitable electrical energy, and basic health services.

With regard to our foreign sector, there will be no restrictions on the import and export of goods, services, and capital. We will promote joint ventures in different production areas. Both foreign and domestic capital will be on an equal footing for tax purposes and regulatory considerations. In an effort to promote long-term investments, the government will strive to achieve a sustainable macroeconomic balance and guarantee stable fiscal and monetary conditions.

The government will effect a restructuring of the whole apparatus of government by means of an aboveboard privatization of state-owned enterprises and some public services. Within the framework of the normalization of the government domestic public debt, the proceeds of these privatizations will be earmarked to establish a credit facility fund to encourage private investments in productive sectors.

A dialogue between the government and businessmen and trade unions representing the different sectors of the economy will be furthered to give a much-needed fillip to those activities that have a great incidence in the country's economic development. The government's action will be reflected in its policies to support private initiative, although the government will give free rein to private companies to decide what, when, and where to invest.

Whenever there is disagreement between sectors, the government will try to encourage negotiations so that the parties involved can work out a compromise. In all these actions, the attainment of national objectives will always be uppermost in the government's mind although it will try to give equal opportunities to all.

With regard to the fiscal policy, adjustments will be introduced in the tax system to stimulate the domestic productive sector, and simplified mechanisms for paying taxes will be instituted. In the field of tax education and information, the necessary steps will be taken to make information available to all taxpayers so that they know tax procedures and the final destination of tax collection. Moreover, there will be an objective tax system with

honest and skilled officials to minimize tax evasion. The government will come down heavily on tax evaders.

As for administrative organization, the Finance Ministry will rationalize the use of human resources and will emphasize training programs for its staff to improve public services' efficiency. Likewise, it will consider the possible implementation of leading-edge operational and management-related systems based on techniques and practices that are prevalent in modern administrations with a view to having its administrative departments act in unison.

In order to promote the development of productive activities, the government will give top priority to streamlining and strengthening the financial system through the amendment of the Paraguayan Central Bank charter and the law on banking operations. This will be instrumental in facilitating the channeling of financial resources through the system and will create a favorable environment for economic development. The Executive Branch will soon submit to Congress the draft bills proposing the aforementioned amendments, in which it will seek to preserve and enhance the Central Bank's technical autonomy to implement monetary policy and to establish definite limits for public credit in keeping with the provisions enshrined in the national Constitution. Furthermore, the government will monitor the credit worthiness of the financial institutions through the upgrading of the Banks Superintendency.

The government will back the launching of the first operations in the securities market that will give good opportunities to all savers and companies that need capital and financing. The economic team will study the possibility of establishing special funds to provide credit facilities for small-size farmers and small- and medium-size industries. The monetary policy pursued by the government will seek to maintain an appropriate level of money supply geared to achieving stability in domestic prices.

Interest rates will be left free to follow money demand and supply rules and medium- and long-term financial saving will be encouraged. Special banks will be created to help the development of agriculture, as well as medium- and small-size industrial concerns. The country's banks will use this mechanism to handle domestic and foreign funds earmarked for the development of these areas.

The approval of a regulatory framework for the implementation of an individual capitalization system for servicing the pension, disability insurance, and retirement system will strengthen the institutional saving used in productive areas.

The basic goal of the new government is to strengthen the agriculture and forestry industries. In the area of agriculture, the government will urgently look into aspects affecting our traditional crops and will implement integrated actions in order to improve productivity. The government will encourage the diversification of nontraditional crops and will strengthen research and the transfer of appropriate technologies, with emphasis on erosion control, economy of water use, weed and pest control, as well as the coordination of agricultural pesticide registration with southern cone countries, and the single borders control.

The government will encourage the development of small rural industries for transforming primary products in the same area of production. The Rural Development Council will be responsible for improving rural settlements.

Regarding livestock, the government will intensify the application of technical and administrative measures to control diseases affecting the livestock industry. We will establish strategies to control hoof and mouth disease, we will encourage the increase of meat yielding livestock production and productivity, and we will sponsor the opening of more convenient markets.

The government will support pilot projects involving small producers and the raising of smaller species as an alternative to diversify production. We will support aquiculture, fishing, and apiculture with special emphasis on the participation of our Indian population. We will grant special attention to producers organized in committees or cooperatives. Agriculture schools will be strengthened seeking their specialization in regional products.

Within the framework of the agrarian reform policy, the government will sponsor actions such as legalizing land possessions in order to facilitate peasants's access to credit and other services. Technical assistance will be given priority treatment in new settlements. Assistance in the areas of health and education will be granted through the appropriate departments.

The government's economic policy will place emphasis on obtaining a substantial increase in industrial gross production—by increasing the value added to manufactured products—and the use of labor, particularly through the installation of agroindustries and electricity-intensive industries.

The government will encourage the transformation of existing industries by helping to incorporate, in time and form, technological, human, and credit resources. Changes will be implemented through the industrial extension service, medium and small size industries support programs, and in technology, standardization, and certification assistance.

The government will strongly support technological development by proposing new legislation in the areas of science and technology and through the creation of the National Science and Technology Council. We will support technical schools to aid in the formation of middle level human resources, managers, and administrators.

The Commerce and Industry Ministry will promote foreign trade in order to give more dynamism to our

exports and imports. The promotion of exports will be made through the establishment of a nonbureaucratic and easy to apply legal framework.

The government will also support the opening of new markets and the development of commercial information and market research mechanisms. We will open trade promotion offices abroad. We will also encourage the creation of export committees or consortiums.

We will support efforts to improve production and the design and quality of exportable products. We will sponsor the creation of an exporting culture in the government and the private sector. We will support and facilitate the importation of raw materials, capital goods, or items that are very important for industry, commerce, or tourism.

We will also facilitate the creation of temporary admission and capital incorporation mechanisms. We will control sanitary conditions and serve consumer interests by supervising the importation of products that are sensitive or dangerous.

Our internal trade will be supervised in order to insure the normal supply of goods and services. Monopolistic practices or practices that distort prices will be abolished. We will fight illegal trade with firmness.

Paraguay will no longer be indifferent to the unpostponable commitment to preserve the environment. The government will implement policies promoting the conciliation of economic progress with the rational use of natural resources in order to help preserve the environment. We will fight against the burning of forests, the overuse of the land, the contamination of rivers, and the elimination of toxic waste.

In order to face the challenge of adapting our economic system to the demands of modern times we will need the international community's decisive technical and financial assistance. The government will rationalize the use of foreign cooperation through an administrative, centralized, coordinated, and integrated action that will implement homogeneous criteria and mechanisms to avoid a costly duplication of efforts.

The use of foreign funds committed to Paraguay, on which we are paying commitment commissions, will be reactivated. We will intensify our relations with multilateral organizations and government agencies in order to attract technological, human, and financial resources. This aid will help us advance in the implementation of structural and industrial reforms.

In conclusion, the government will implement measures aimed at spurring our economic activity and at creating an attractive climate for national and foreign investments which will, in turn, create jobs and wealth within a framework of respect for the law and social justice.

The strategy to liberate the country from its social and economic backwardness will require of the cooperation of the three government branches, the private sector, and a responsible and professional communications media. This cooperation must be marked by solidarity and an expeditious and dynamic action contributing to the achievement of the goals of transformation and consolidation of democracy in a climate of better employment opportunities and society's more equitable participation in the distribution of our national production.

In the specific case of the Finance Ministry, allow me to make a call on entrepreneurs, traders, and other economic agents to strictly fulfill their tax obligations within a simplified tax system which is adequate to the economic capacity of contributors. In this way the state will fulfill its role of distributing wealth among the poorest sectors and will use new funds for education and public health.

At present, the taxes we are collecting are insufficient to serve the growing demand for infrastructure and services demanded by the population. There are a great number of children and youngsters who need to attend school and need the means to care for their health. The national economic team and the Finance Ministry trust that society's understanding will prevail when determining to give a positive answer to this invitation to elaborate a better future for our people. Thank you.

Peru

Joint Command Arrests Shining Path Leader

PA2208185593 Lima Radio Programas del Peru Network in Spanish 1812 GMT 22 Aug 93

[Communique No. 9 issued by the Armed Forces Joint Command in Lima on 22 August]

[Text] The Armed Forces Joint Command reports to the public the following:

1. At 1735 on 21 August, after efficient and specialized work by highly qualified personnel of the National Intelligence System [Sistema de Inteligencia Nacional—SINA] and in the presence of the judge advocate, terrorist criminal Edmundo Cox Beuzeville, a.k.a. Federico, member of the Central Committee and high-ranking leader of the Metropolitan Committee of Shining Path, was captured. This important arrest, which is the result of the implementation of the government's current antisubversive strategy, is a strong setback for the terrorist organization and a significant step toward the goal of national peace.

3. [number as heard] On this date, criminal Edmundo Cox Beuzeville, a.k.a. Federico, and others have been placed at the disposal of the Dincote [National Counterterrorism Directorate] for the appropriate investigations.

[Dated] Lima, 22 August 1993

[Signed] Public Relations Office of the Armed Forces Joint Command

*** Prospects for Shining Path Violence, Strikes**

93WR0303Z Quito PUNTO DE VISTA in Spanish 17 Jun 93 pp 10-11

[Article by David Montoya, member of the Center for Development Studies and Promotion in Lima]

[Text] The daily life of the residents in Lima, the poor ones above all, is regularly altered whenever the Shining Path calls what the government has thus far been unable to control—an armed strike. The most recent one, scheduled for 17, 18, and 19 May, was to be no exception. Based on the signs painted by the Shining Path, particularly in the poorest quarters, the residents in these zones are the first to learn about these calls to action. Then word of mouth (gossip, rumor) does the rest. In practice, these methods have come to serve as an excellent replacement for EL DIARIO (the Shining Path journal), which had its operations disrupted by the efforts of the police intelligence units. But without a doubt, life is changing nowadays. It is no longer the same, especially for the residents of the poorer sectors, since one of the central factors in their daily routine is public transportation—too little service, in the best of cases, and none at all, in the worst. Routinely, public transport is vital to these people, because their ability to survive depends upon it. The citizens in the middle and upper classes are normally not affected by this shortage, and their fears have to do with another factor—the explosions and attacks carried out by the Shining Path, which have in some cases been directed against private businesses and schools.

Armed Strikes in Lima

In its internal documents drafted in 1989, the Shining Path described the various forms of "struggle" in what it terms the popular war. They include agitation and propaganda, sabotage, selective extermination, guerrilla warfare, and what the organization began in Ayacucho in 1988 to call the "new method of struggle"—armed strikes. According to the Shining Path, all of these forms of warfare are concentrated in the armed strike, which also entails mobilization of the popular masses as an expression of a "new state" designed to challenge the old one.

According to the followers of Guzman, the armed strike should have an effect on "the very broadest masses," leading, insofar as possible, to the isolation of certain zones. For the Shining Path, the armed strike is essentially a military action in which, obviously, a political result is sought. That result is the "isolation and undermining of the old state, to demonstrate its impotence."

One of the first armed strikes in Lima with an extremely symbolic content was convoked for 19 January 1989, the date of the inauguration of the Congress of the United Left in Huampani. The Shining Path began to appeal for this type of action in specific areas of the capital. In this first case, it was the Central Highway zone that was urged to respond. Later it was to be Chogica, and at another time, the Canto Grande zone in San Juan de Lurigancho. Later, however, the Shining Path began to call very boldly for armed strikes for all of Lima and Callao. This has been done from the middle of 1989 up to the present. Obviously, the early efforts were pilot experiments preliminary to broader appeals. The inclination of the Shining Path to use the laboratory method again was clearly evident. Another example of what we are saying can be seen in the appeals made for armed strikes in some specific sectors, particularly the educational sector. By this we mean certain secondary schools in the poorer quarters, in particular.

The armed strike occupies a central place in the strategy of the Shining Path. This has been especially true since it declared that the "strategic balance" has already been achieved, and the main actions of the organization moved to the capital. By means of cruel and bloody waves of action, Guzman is trying to make the "strategic balance" a reality, and above all to demonstrate the weakness of the state. Lima is the proper locality for ensuring that these actions achieve international resonance, and the armed strike is the form of struggle the followers of Comrade Gonzalo have given priority, particularly since the end of 1991 and throughout 1992. To the strikes called by the Shining Path in these years, the "car bomb" has been added as a factor. This is a method that gives the actions of the Shining Path a bloody aspect never seen before.

The appeals for armed strikes issued by the Shining Path have to do in some cases with the dates of events important in the calendar of the organization. In other instances, they are a part of a planned campaign in which the armed strike is almost always the culmination, although the forcing and imposition of this measure also depends on how the Shining Path reads the situation. One example was the campaign of a political-military nature waged between November of 1991 and February of 1992. During it, the Shining Path pursued the selective elimination of popular leaders in several Lima districts, while at the same time winning control, in the elections, of the association of small businessmen in Villa El Salvador and the management of the industrial park in that same district. This campaign culminated in the assassination of Maria Elena Moyano on the day after the armed strike ended (14 February), thus completing one phase.

Strictly speaking, anyone could endorse the majority of the platforms on which the Shining Path bases its appeals for armed strikes were it not for the fact that they require support of the "popular war." This is the case because they include demands for better living conditions for the workers and residents in the rural sector and the cities, something which has long been sought. A central element here is the fact that from 1992 until the present, the armed strikes called in the capital have established the guidelines for extending the measure to almost all of the country, or at least to those areas where the regional committees of the Shining Path can guarantee efficiency in the execution of their actions.

It is true that what the Shining Path is seeking with its armed strikes is to combine all forms of struggle, but what it has never succeeded in achieving is the isolation of specific territories. By means of threats, attacks, and assassinations, the organization has succeeded in bringing public transportation to a halt in various zones. In the days prior to a planned strike, the members of the organization proceed to prepare the path and to attempt to guarantee its success, using methods that are now well-known to inculcate terror in the people. And in the subsequent days, there is a kind of follow-up in which the Shining Path tries to settle accounts with those who did not heed the appeal, and also to issue a warning to all.

Future Violence

It is clear that the armed strikes have not been the same since 12 September of last year, the date on which Abimael Guzman was captured. However, the Shining Path finds itself in a situation that poses a problem but also creates a potential.

During the armed strikes, the Shining Path tightens up all of its forces in an attempt to manage all the forms of warfare in the best possible way, and to achieve the political results its measures are designed to bring about.

On this basis, it could be said that since the armed strike in July of 1992, the organization's appeals for these actions have failed. The figures can give us some indication of the decline. There were 145 attacks during the armed strike in July of last year, 104 in November of that year, and only 64 in May of 1993. The same trend is seen in terms of the victims. There were 43 in 1992, 11 in November, and 12 in May of this year. Thus it could be said that the Shining Path has a serious problem, while at the same time it can be predicted, as the government has done, that we may now see the end of the strikes called by Guzman. A mechanical reflex may confirm the conclusion reached by the state.

However, the Shining Path has not been the political organization it was since the capture of Guzman. Despite the fact that it remains a large group, as is agreed based on various analyses, its principal problem is its direction, where it is going.

We are talking about an era of reorientation of the direction pursued by the Shining Path between September 1992 and the present, but this has also been a period in which successive blows have been dealt to the organization. This was mainly the result of police intelligence work, and together with it, the effort of the state to win moral ascendancy over the organization and to seize the initiative, from a psychosocial point of view.

It is on the basis of this situation that the potential of the Shining Path and the impact of its measures and actions must be evaluated.

The consecutive blows suffered by the organization in the provinces, and above all, in Lima, have forced it to make a change in terms of the priority for the actions it will undertake. In the capital city, and particularly in the poorer quarters, the Shining Path is resuming political work in order to be able to replace the political cadres captured and to improve its operational level. It is trying to equal or surpass its deadly bloody successes last year. This is its primary goal.

It is obvious that given the present conditions, the Shining Path is not capable of achieving this, but in reality, its situation now offers it one possibility.

We say this for a number of reasons. The first has to do with the comfortable isolation the Shining Path enjoys in certain sectors of Lima, those comprising "the iron belt surrounding the capital." It is the only political force to be found in these areas, lacking any competition there. Events like the recent armed strike serve to demonstrate that the Shining Path is acquiring new members. They are inexpert people, but they are militants who have now embraced the organization's options. This is the first time the organization has found itself in a situation like its present one, at least in terms of the seriousness of the blows suffered, but it has had similar moments before when it has kept its distance and has been able to rise again by replenishing the organization with new blood.

Also, the current situation in the country will allow the Shining Path to enjoy this isolation in the popular sectors for a considerable time. There is no clear evidence that the political fabric in Peru will be rewoven in the medium time range. On the contrary, the recent events in connection with the concealment of the investigation of "the disappeared" at the University of La Cantuta, and the massacre in the Barrios Altos in April of 1991, reveal the strengthening of a hard-line and authoritarian movement in one sector of the country. This development favors further violence. For some time yet to come, the Shining Path and the state, with its authoritarian policy, will be the principal protagonists in the battle.

At the same time, all of the causes that led to the emergence of a phenomenon like the Shining Path are still in existence now. The policy of pacification with development that the government is promoting in Lima and other areas of the country has meant little more than making a sweep through certain areas, getting the residents up early, searching them from head to foot, and then, to compensate for the inconvenience, giving them gifts of food. As one resident of a zone swept in this way says, "This is demeaning to our dignity."

The most recent armed strike, in one of the zones where there have been the largest number of these countersubversive operations, is also one indication of the alleged effectiveness of these sweeps. It took place in the hills of the La Victoria and El Agustino districts, where most of the attacks on 17, 18, and 19 May originated. Without a doubt, the Shining Path will attempt to implement a similar or identical measure in an effort to commemorate the "day of the heroes" on 18 June, and it will

certainly continue to recruit new members. The efficiency of its deadly and bloody actions will dictate whether one can say that it is succeeding in overcoming its problems of inexperience and centralized leadership.

Uruguay

Army Commander in Chief 'Unexpectedly' Replaced

PY2108012593 Madrid EFE in Spanish 2325 GMT 20 Aug 93

[Text] Montevideo, 20 Aug (EFE)—Uruguayan President Luis Alberto Lacalle named a new Army commander in chief on 20 August without mentioning the reasons for the replacement of the current commander. This unexpected decision is linked to espionage cases recently discovered within the military leadership.

A communique Government House released to the press states that Lacalle named Lieutenant General Daniel Garcia the new Army commander in chief.

The communique reported other replacements at the command level, but gave no reason for the replacement of Lieutenant General Juan Rebollo—the Army commander in chief until today—whose name was not even mentioned. Rebollo will reach retirement age next February.

Former intelligence service chief General Mario Aguerrondo, who is responsible for the espionage case discovered two days ago at a general's office—Aguerrondo is now serving a rigorous disciplinary 15-day arrest—was relieved from the post of chief of the Arms and Services School. No new assignment has been given to him.

Aguerrondo, who is considered "a Lacalle government agent" within the Army, was relieved from the post of chief of the Intelligence Directorate two months ago after the discovery of the "Berrios case." This case involves a Chilean scientist who—according to charges pressed in Montevideo—was reported missing in Uruguay, where he was held under military protection without the commanders being aware of it, on orders from the Chilean Army commander in chief, General Augusto Pinochet.

The designation of Garcia, a rightist general, occurred a few hours after the president himself and the now-dismissed Rebollo attended a ceremony to pay tribute to the Uruguayan troops from the UN peace forces in Cambodia.